

**TO:** Ms. Krista Lee, Executive Director, Fiscal Review Committee

**FROM:** Chris Romaine, Central Procurement Office – Department of General Services

**DATE:** October 31, 2019

**SUBJECT:** New Sole Source Contract for Review

The Department of General Services respectfully requests review of the attached proposed contract with Coupa Software Inc. This contract will provide catalog management via a third-party software solution and include support for the software system. This software and catalog management is used in conjunction with the State's ERP system for major procurement functionality.

Please contact me at (615) 979-6700 with any questions or concerns. We appreciate your consideration of this matter.

**Attachments:**

- Attachment A: Supplemental Document
- Attachment B: Rule Exception Request
- Attachment C: Approved STS Endorsement
- Attachment D: Approved Special Contract Request
- Attachment E: Proposed Contract

*Contact Name:	Shannon Howell	*Contact Phone:	615-741-4274		
*Presenter's name(s):	TBD				
Edison Contract Number: <i>(if applicable)</i>	64576	RFS Number: <i>(if applicable)</i>			
*Original or Proposed Contract Begin Date:	1/1/2020	*Current or Proposed End Date:	12/31/2025		
Current Request Amendment Number: <i>(if applicable)</i>					
Proposed Amendment Effective Date: <i>(if applicable)</i>					
*Department Submitting:		Department of General Services			
*Division:		Central Procurement Office			
*Date Submitted:		October 31, 2019			
*Submitted Within Sixty (60) days:		Yes			
<i>If not, explain:</i>					
*Contract Vendor Name:		Coupa Software Inc.			
*Current or Proposed Maximum Liability:		\$1,817,060.00			
*Estimated Total Spend for Commodities:		\$0			
*Current or Proposed Contract Allocation by Fiscal Year: <i>(as Shown on Most Current Fully Executed Contract Summary Sheet)</i>					
FY: 2020	FY:2021	FY:2022	FY:2023	FY:2024	FY:2025
\$181,706.00	\$363,412.00	\$363,412.00	\$363,412.00	\$363,412.00	\$181,706.00
*Current Total Expenditures by Fiscal Year of Contract: <i>(attach backup documentation from Edison)</i>					
FY: 2020	FY:2021	FY:2022	FY:2023	FY:2024	FY:2025
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:					
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:					
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:					
*Contract Funding Source/Amount:					
State:	\$1,817,060.00	Federal:			

<i>Interdepartmental:</i>		<i>Other:</i>	
If “ <i>other</i> ” please define:			
If “ <i>interdepartmental</i> ” please define:			
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
Method of Original Award: <i>(if applicable)</i>			
*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?		Projected costs were acquired via quote from vendor and originally were \$1,851,025.00 for five years. CPO reduced that number to \$1,817,060.00 via cost negotiations.	
*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.		Coupa now owns the rights to the Aquire Marketplace solution. The Aquire Marketplace has proprietary Technology and therefore is the only potential vendor for this service. This new contract would allow for continued functionality and business compatibility with the State’s current financial planning systems.	

Use this document to request changes to Central Procurement Office templates, policies, or other procurement documents or to modify the “necessary contract clauses” identified in Tenn. Comp. R. & Reg. 0690-03-01-.17 (“CPO Rule 17”). Complete this document in conformity with CPO Rule 17, which is available [here](#). Upload the completed document and route for approvals by selecting the appropriate RER e-Form in Edison. For additional guidance, please see the e-Forms Job Aid available online at the following: <https://www.teamtn.gov/cpo/learning-development/cpo-job-aids.html>. All Rule Exception Requests are subject to review and approval by the Chief Procurement Officer. Rule Exception Requests that propose to modify any of CPO Rule 17’s necessary contract clauses shall be subject to review and approval by the Comptroller of the Treasury. Note: If the requested changes involve contracts under a delegation, please use the RER for the DA or DGA templates. Also, any change to the template language regarding the Limitation of Contractor’s Liability shall be submitted using the Limitation of Contractor’s Liability Request.

1 of 2

- 19
  - 20
- Section C.
  - 2
  - 3
  - 4
  - 5
  - 6
- Section D.
  - 4
  - 5
  - 7
  - 10
  - 19
  - 20
  - 25
  - 30
  - 32
- Section E.
  - 4
  - 5: Submitted upon further investigation, CPO determined there was no confidential state data involved and modified this section during negotiations with the Contractor.
  - 6
- Addition of Attachments
  - Addendum 1
  - Exhibit A
    - A-1
    - A-2
    - A-3
  - Exhibit B

**10. Scope of Goods or Services Caption:**

Third-party software system functionality with catalog management functionality and support for the software system.

**11. Justification**

The attached requested language changes are derived from negotiations between the Central Procurement Office and Coupa Software, Inc.

**Signature of Agency head or designee and date**


Digitally signed by Thomas W. Chester  
 DN: cn=Thomas W. Chester, o,  
 ou=Department of General Services,  
 email=thomas.w.chester@tn.gov, c=US  
 Date: 2019.10.30 15:56:21 -05'00'



## CONTRACT

(fee-for-goods or services contract with an individual, business, non-profit, or governmental entity of another state)

<b>Begin Date</b> January 1 <sup>st</sup> , 2020	<b>End Date</b> December 31 <sup>st</sup> , 2025	<b>Agency Tracking #</b> 32101-103019	<b>Edison Record ID</b> 64576		
<b>Contractor Legal Entity Name</b> Coupa Software Inc.			<b>Edison Vendor ID</b> 230409		
<b>Goods or Services Caption</b> (one line only) Third-party software system functionality with catalog management functionality and support for the software system.					
<b>Contractor</b> <input checked="" type="checkbox"/> Contractor		<b>CFDA #</b>			
<b>Funding —</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
<b>TOTAL:</b>					
<b>Contractor Ownership Characteristics:</b> <input type="checkbox"/> Minority Business Enterprise (MBE): <input type="checkbox"/> African American <input type="checkbox"/> Asian American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Native American <input type="checkbox"/> Woman Business Enterprise (WBE) <input type="checkbox"/> Tennessee Service Disabled Veteran Enterprise (SDVBE) <input type="checkbox"/> Disabled Owned Business (DSBE) <input type="checkbox"/> Tennessee Small Business Enterprise (SBE): \$10,000,000.00 averaged over a three (3) year period or employs no more than ninety-nine (99) employees. <input type="checkbox"/> Government <input type="checkbox"/> Non-Minority/Disadvantaged <input type="checkbox"/> Other:					
<b>Selection Method &amp; Process Summary</b> (mark the correct response to confirm the associated summary)					
<input type="checkbox"/> Competitive Selection					
<input checked="" type="checkbox"/> Other		Special Contract Request- Sole Source. This is the current vendor for the services, there has been a name change			
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.					
<b>Speed Chart</b> (optional)		<b>Account Code</b> (optional)			

**CONTRACT  
BETWEEN THE STATE OF TENNESSEE  
DEPARTMENT OF GENERAL SERVICES  
AND  
COUPA SOFTWARE INC.**

This Contract, by and between the State of Tennessee, Department of General Services ("State") and Coupa Software Inc. ("Contractor"), is for the provision of a third-party software system functionality with catalog management functionality and support for the software system., as further defined in the "SCOPE." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is For-Profit Corporation.

Contractor Place of Incorporation or Organization: 1855 S. Grant Street, San Mateo, CA 94402.

Contractor Edison Registration ID #0000230409.

**A. SCOPE:**

A.1. The Contractor shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Contract.

A.2. Provide a third-party software solution with catalog management functionality and support for the software system. Includes the following products:

<u>Product Name</u>	<u>Description</u>	<u>Qty.</u>	<u>Total Subscription Fee</u>
Coupa Aquire Marketplace	Annual Subscription to Coupa Aquire Marketplace, which includes: unlimited users, analytics, audit, shopping, advanced guided buying, self-service supplier portal	Unlimited	Max Liability
Coupa Aquire Quote	Annual Subscription to Coupa Aquire Quote, which includes: unlimited users, unlimited suppliers, unlimited quotes	1	Included in Above Total
Coupa Aquire Catalog Content	Annual Subscription to Coupa Catalog Content, which includes: <ul style="list-style-type: none"><li>▪ 20 Punch-in Catalog Agent Subscription (each)</li><li>▪ 10 Punch-Out Catalogs</li><li>▪ 50 Hosted Catalogs</li><li>▪ 1 Language – English</li><li>▪ 1 Currency – USD</li></ul>	1	Included in Above Total
Coupa ERP Integration Service	Annual Subscription to Coupa ERP Integration Service for the stated quantity of ERPs	1	Included in Above Total
Customer Care Success Plan - Basic	Coupa Success Plan Level: "Basic" <ul style="list-style-type: none"><li>▪ Maintenance, Support and Product Updates</li><li>▪ Support Hours: 24x7 for Severity 1 &amp; Weekdays- 8:00am to 6:00pm Severity 2/3/4</li><li>▪ Initial response 1hr - Sev1 / Customer update 2hrs -Sev1 (SLTs*)</li><li>▪ Five (5) delegated support contacts</li><li>▪ One Test ("Sandbox") and one Production Environment</li><li>▪ Infrastructure Hosting &amp; Disaster Recover</li></ul> * SLT: Service Level Targets	1	Included in Above Total

- A.3. Accessibility through a “master punch-out” and ability to pull relevant information back into Edison, the State’s Oracle PeopleSoft ERP Application system (Version 9.2) – and the ability to accept Oracle updates. Updates are PUM (PeopleSoft Update Manager) versions. Currently on Version 9.2 PUM 29.
- A.4. Offer accessibility through two separate avenues. The first, by other governmental bodies, will be directly from a web-enabled landing page, customized and branded, to the State’s specifications. The second, accessed by state employees, must be accessed through a “master punch-out” where the vendor hosted software solution is integrated with Edison.
- A.5. Includes the basic data elements required to integrate with Edison Version 9.2 PUM 29 and future PUM updates.

<u>Data Element</u>	<u>Description</u>	<u>Standard</u>
Quantity	Quantity of a specific item to be added to the shopping cart	
Unit of Measure (UOM)	Code that represents the unit of measure for the item, such as a case or pound	UN/CEFACT ANSI
Unit Price	Unit Price for the item	
Currency Code	Currency code, such as “USD” for US dollar	ISO 4127
Commodity Code	UNSPSC 8-digit code for each item	UNSPSC
Item Description	Description of the product	
Country Code	Country code as listed in the standard	ISO 3166
Language Code	As listed in the standard	ISO 639
Supplier Part number	Part Number of the line item as defined by the supplier	
Supplier Part Auxiliary ID	Additional ID offered by supplier – Sometimes used for configurable items	
Manufacturer Part number	Part Number of the line item as defined by the manufacturer	
Manufacturer Name	Name of manufacturer of the line item	
Supplier DUNS Number	DUNS number of supplier – can also be the ERP’s Supplier ID – used to identify the supplier back to the ERP system	
Supplier Lead Time	Estimated number of days for delivery of line item from supplier	

- A.6. The system functionality supports an online retail-type buying experience for users.
- A.7. The system functionality supports contract administration activities such as tracking of contract spend and expiration dates and contract compliance to preferred or core list items.
- A.8. The system functionality supports diverse and intuitive search activities.
- A.9. The system functionality supports the gathering and distributing of information to system users.
- A.10. Contractor utilizes stakeholder management strategies that will ensure highest possible levels of user adoption and ongoing compliance.
- A.11. Contractor develops program management plans that identify governance structures, executive sponsors and issue resolution procedures.



- A.12. Contractor utilizes a formal risk management plan that identifies key implementation risks and defines risk mitigation approaches.
- A.13. Contractor utilizes formal, documented backup and redundancy measures to ensure continuity of service and preservation of State data.
- A.14. Provide a dedicated account management and system support staff.
- A.15. Provide training (classroom, online, manuals) for catalog management and system use across all user roles (i.e., administrators, end users, suppliers).
- A.16. Abide by the Service Level Agreements (SLA's) as noted in Exhibit A-2.
- A.17. Update and maintain catalog data
- A.18. Implement a Disaster Recovery plan for the software
- A.19. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be valid for the Term of this Contract. The goods or services provided under this Contract (i.e., the Hosted Application(s), as defined in section E.7.a.4, below) shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any material nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge, in accordance with the notification and remediation process described below.

Contractor represents and warrants that it has the right and authority to provide all services under this contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If, after a period of thirty (30) days from the written notice of the warranty claim by the State to Coupa, Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to terminate the Defective service(s) and recover all prepaid subscription fees paid to Contractor for the Defective services covering the remainder of the Term of this Contract after the Effective Date of termination. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

A.20. Reserved.

**B. CONTRACT PERIOD:**

This Contract shall be effective on January 1, 2020 ("Effective Date") and extend for a period of sixty (60) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed one million, eight hundred- seventeen thousand, and sixty dollars (\$1,817,060.00) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for

goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.

C.2. Compensation Firm. The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor. The State is a tax-exempt entity and will provide a certificate of tax exemption upon request.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in the Contract.
- b. The Contractor shall be compensated based upon the following payment methodology:

Fixed Fee Structure	
Annual Subscription and Service Fees (Services shall be ordered as set forth in Order Form, Exhibit B.)	Amount (per compensable increment)
Contract Year 1	\$363,412
Contract Year 2	\$363,412
Contract Year 3	\$363,412
Contract Year 4	\$363,412
Contract Year 5	\$363,412

Variable Fee Structure	
Add-on Service Fees	Amount (per compensable increment)
Professional Service Fees	\$200/Per Hour
Additional Bundle of Agents (10) for Punch Outs	\$16,350 Annual Fee/Per Bundle
Additional Bundles for Hosted Catalogs	No Annual Fee/Per Bundle

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging, unless expressly agreed to otherwise by the Parties.

C.5. Invoice Requirements. The Contractor shall invoice the State for subscription fees due hereunder annually in advance, and then shall invoice the state for all professional services fees in accordance with the applicable statement of work, with all necessary supporting documentation, to:

Office of Administrative Services

Tennessee Tower, 22nd Floor  
312 Rosa L. Parks Ave., Nashville, TN 37243  
OAS.ElectronicInvoices@tn.gov

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
    - (1) Invoice number (assigned by the Contractor);
    - (2) Invoice date;
    - (3) Contract number (assigned by the State);
    - (4) Customer account name: Department of General Services, Central Procurement Office
    - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
    - (6) Contractor name;
    - (7) Contractor Tennessee Edison registration ID number;
    - (8) Contractor contact for invoice questions (name, phone, or email);
    - (9) Contractor remittance address;
    - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable; and
    - (11) Total amount due for delivered goods or services provided (as stipulated in Section C.3. above).
  - b. The Contractor understands and agrees that an invoice under this Contract shall:
    - (1) only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Contract Section C;
    - (2) not include Contractor's taxes which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
    - (3) begin the timeframe for payment (and any discounts) only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this Section C.5.
- C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter in good faith. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.
- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee, any amounts that are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.
- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State,

payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH; and

- b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

**D. STANDARD TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Lorraine Lassourreille, DGS Procurement Program Director  
Department of General Services, Central Procurement Office  
Tennessee Tower 3rd Floor  
312 Rosa L Parks Ave, Nashville, TN 37243  
[Lorraine.Lassourreille@tn.gov](mailto:Lorraine.Lassourreille@tn.gov)  
Telephone # 615-741-3060

The Contractor:

Scott Blatnica | Director, Customer Value Management  
Coupa Software Inc.  
1855 S. Grant Street, San Mateo, CA 94402 USA  
[Scott.Blatnica@coupa.com](mailto:Scott.Blatnica@coupa.com)  
Telephone # 412.298.7814

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon reasonable written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability,

the Contractor shall be entitled to compensation for all conforming services provided to the State and for all authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount, but, for clarity, the State will remain responsible for all fees accrued up to the date of termination.

D.5. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least sixty (60) to ninety (90) days written notice prior to the start of each anniversary within the Term. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.

D.6. Termination for Cause. If a Party ("Breaching Party") fails to properly perform its obligations under this Contract, or if a Party materially violates any terms of this Contract ("Breach Condition"), the other Party ("Non-breaching Party") may provide written notice to the Breaching Party specifying the Breach Condition. If within thirty (30) days of notice, the Breaching Party has not cured the Breach Condition, the Non-breaching Party may terminate the Contract. In the event the Non-breaching Party is the State, the State may withhold payments in excess of compensation for completed services or provided goods. The Breaching Party shall not be relieved of liability to the Non-breaching Party for damages sustained by virtue of any breach of this Contract, and the Non-breaching Party may seek other remedies allowed at law or in equity for breach of this Contract.

D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State which approval shall not be unreasonably withheld. Notwithstanding the above, subject to notification to the State and the execution of a formal amendment to this Contract (if required), Contractor may assign this Contract in its entirety: (i) to an affiliate; or (ii) in the connection with a merger, acquisition, corporate reorganization; or (iii) sale of all or substantially all of its assets. The entities referenced in (i), (ii), and (iii) are collectively the "Assignee." Any Assignee must be properly authorized to conduct business with the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.

D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination

in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment A, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
  - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
  - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection (as set forth in State Executive Order- Regarding Compliance with Federal and State Laws Related to Employing and Contracting with Illegal Immigrants, signed September 5, 2006) at any reasonable time upon reasonable notice by the State.
  - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
  - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.
- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.



- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless from any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death.
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all third party claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys' fees, court costs, expert witness fees, and other litigation expenses for the State to enforce the terms of this Contract. Contractor's indemnity obligations under this section shall be limited as set forth in D.18 above.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor,

through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.

- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
- b. Contractor warrants that it will reasonably cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
- c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
- d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System ("TCRS"), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8-35-101, *et seq.*, accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.

D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.

D.23. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust



statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.
- D.25. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the performance of this Contract. The State shall comply with all applicable state and federal laws and regulations in the use of the services provided by the Contractor under this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 408.
- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.

- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:

- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
- b. this Contract with any attachments or exhibits

D.31. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Contract. The Contractor certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

D.32. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend and require additional insurance coverage, coverage amounts, and endorsements required under this Contract. Contractor's failure to maintain or submit evidence of insurance coverage, as required, is a material breach of this Contract, subject to section D.6 above. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall immediately notify the State. All insurance companies providing coverage must be: (a) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"); and (b) rated A- / VII or better by A.M. Best. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State but only to the extent of liabilities falling within Contractor's obligations under this Contract. Contractor agrees to name the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. All policies must contain an endorsement for a waiver of subrogation in favor of the State, except as prohibited by law. The deductible or SIR and any premiums are the Contractor's sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two million dollars (\$2,000,000) in coverage, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) combined with an umbrella policy for an additional one million dollars (\$1,000,000). If the deficient underlying policy is for a coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area. In the event that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory—Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred). The COI must list each insurer's National Association of Insurance

Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3<sup>rd</sup> floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI ten (10) business days prior to the Effective Date and again thirty (30) calendar days before renewal or replacement of coverage. Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that subcontractors are included under the Contractor's policy. At any time, the State may require Contractor to provide a valid COI. The Parties agree that failure to provide evidence of insurance coverage as required is a material breach of this Contract, subject to section D.6. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses. The State reserves the right to require copies of the declaration page of all required insurance policies, including endorsements required by these specifications, at any time.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

**The insurance obligations under this Contract shall be: (1)—the insurance coverage and policy limits shown in this Contract.** No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.

a. Commercial General Liability ("CGL") Insurance

- 1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

The Contractor shall maintain single limits not less than one million dollars (\$1,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this policy or location of occurrence or the general aggregate limit shall be twice the required occurrence limit.

b. Workers' Compensation and Employer Liability Insurance

- 1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
  - i. Workers' compensation in an amount not less than one million dollars (\$1,000,000) including employer liability of one million dollars (\$1,000,000) per accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit by disease, and one million dollars (\$1,000,000) per employee for bodily injury by disease.

- 2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
  - i. The Contractor employs fewer than five (5) employees;
  - ii. The Contractor is a sole proprietor;
  - iii. The Contractor is in the construction business or trades with no employees;
  - iv. The Contractor is in the coal mining industry with no employees;
  - v. The Contractor is a state or local government; or
  - vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

c. Automobile Liability Insurance

- 1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles) used in the course and scope of the Contract.
- 2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit.

d. Technology Professional Liability (Errors & Omissions)/Cyber Liability Insurance

- 1) The Contractor shall maintain Technology Professional Liability (Errors & Omissions) / Cyber Liability insurance appropriate to the Contractor's profession in an amount not less than ten million dollars (\$10,000,000) per occurrence or claim and ten million dollars (\$10,000,000) annual aggregate, which policy includes cyber-liability insurance for financial losses arising from theft, destruction or corruption of data, including but not limited to privacy and data security breaches, virus transmission, unauthorized access, denial of service and loss of income from network security failures.
- 2) This coverage shall include data breach expenses, regulatory fines, penalties, and costs of claim defense. This coverage shall also include, but not be limited to, the costs of computer forensic investigations, public relations, credit file restoration, crisis management, credit file monitoring, and remediation services and expenses.

D.33. Major Procurement Contract Sales and Use Tax. Pursuant to Tenn. Code Ann. § 4-39-102 and to the extent applicable, the Contractor and the Contractor's subcontractors shall remit sales and use taxes on the sales of goods or services that are made by the Contractor or the Contractor's subcontractors and that are subject to tax.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.
- E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State

or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Contract.

- E.3. Intellectual Property Indemnity. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State concerning or arising out of any claim of an alleged patent, copyright, trade secret or other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give such notice shall only relieve Contractor of its obligations under this Section to the extent Contractor can demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State of Tennessee in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.
- E.4. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. Upon reasonable request, the State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII (which will take the form of the Contractor's relevant audit reports with respect to the service, conducted by independent accounting firms (e.g., SSAE 18, SOC 1 Type 2 and SOC 2 Type 2 reports) and Contractor shall, and cause its employees, agents and representatives to, so comply with all reasonable requests from the State to enable the State to verify or ensure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract, Contractor shall destroy all records of such PII (unless legally prohibited).

The Contractor shall report to the State any instances of unauthorized access to or unauthorized disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the



cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law.

E.5. Contractor Hosted Services Confidential Data, Audit, and Other Requirements

- a. "Confidential State Data" is defined as data deemed confidential by State or Federal statute or regulation and is provided or submitted by Customer or on behalf of Customer to the Processing Environment in the course of using the Hosted Application. The Contractor shall protect Confidential State Data as follows:
  - (1) The Contractor shall ensure that all Confidential State Data is housed in the continental United States, inclusive of backup data.
  - (2) The Contractor shall encrypt Confidential State Data at rest and in transit using the current version of Federal Information Processing Standard ("FIPS") 140-2 compliant encryption technologies.
  - (3) Throughout the Term, the State can use the Hosted Application functionality to retrieve all Confidential State Data residing in the Hosted Application.
  - (4) Upon termination of this Contract and in consultation with the State, the Contractor shall destroy all Confidential State Data it holds (including any copies such as backups) in accordance with the current version of National Institute of Standards and Technology ("NIST") Special Publication 800-88 and its data retention policy (which means that the Contractor shall retain no copies of the Confidential State Data except for a backup copy of Confidential State Data, which will be maintained by the Contractor for no longer than 2 years after the termination of this Contract; and such backup copy will be inaccessible in the course of ordinary business). The Contractor shall provide a written confirmation of destruction to the State within ten (10) business days after destruction.
- b. Minimum Requirements
  - (1) The Contractor agrees to maintain the Application so that it will run on a current, manufacturer-supported Operating System. "Operating System" shall mean the software that supports a computer's basic functions, such as scheduling tasks, executing applications, and controlling peripherals.
  - (2) If the Application requires middleware or database software, Contractor shall maintain middleware and database software versions that are at all times fully compatible with current versions of the Operating System and Application to ensure that security vulnerabilities are not introduced.
- c. Business Continuity Requirements. The Contractor shall maintain set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations ("Business Continuity Requirements"). Business Continuity Requirements shall include:
  - (1) "Disaster Recovery Capabilities" refer to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives defined below. Disaster Recovery Capabilities shall meet the following objectives:

- i. Recovery Point Objective (“RPO”). The RPO is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident: Twenty-four (24) hours
- ii. Recovery Time Objective (“RTO”). The RTO is defined as the targeted duration of time and a service level within which a business process must be restored after a disaster (or disruption) in order to avoid unacceptable consequences associated with a break in business continuity: Forty-eight (48) hours

The Contractor shall perform at least one Disaster Recovery Test every three hundred sixty-five (365) days. A “Disaster Recovery Test” shall mean the process of verifying the success of the restoration procedures that are executed after a critical IT failure or disruption occurs. Upon request, the Contractor shall provide a written summary of Contractor’s business continuity/disaster recovery program testing results to the State after each Disaster Recovery Test that its Disaster Recovery Capabilities meet the RPO and RTO requirements.

- E.6. Additional lines, items, or options. At its sole discretion, the State may make written requests to the Contractor to add lines, items, or options that are needed and within the Scope but were not included in the original Contract. Such lines, items, or options will be added to the Contract through a Memorandum of Understanding (“MOU”), not an amendment.
- a. After the Contractor receives a written request to add lines, items, or options, the Contractor shall have ten (10) business days to respond with a written proposal. The Contractor’s written proposal shall include:
    - (1) The effect, if any, of adding the lines, items, or options on the other goods or services required under the Contract;
    - (2) Any pricing related to the new lines, items, or options;
    - (3) The expected effective date for the availability of the new lines, items, or options; and
    - (4) Any additional information requested by the State.
  - b. The State may negotiate the terms of the Contractor’s proposal by requesting revisions to the proposal.
  - c. To indicate acceptance of a proposal, the Parties will sign it. The signed proposal shall constitute a MOU between the Parties, and the lines, items, or options shall be incorporated into the Contract as if set forth verbatim.
- Only after a MOU has been executed shall the Contractor perform or deliver the new lines, items, or options.

**IN WITNESS WHEREOF,**

**CONTRACTOR LEGAL ENTITY NAME:**

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**CONTRACTOR SIGNATURE**

**DATE**

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**PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)**

STATE AGENCY NAME:

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NAME & TITLE

DATE

ATTACHMENT

**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
EDISON VENDOR IDENTIFICATION NUMBER:	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

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**CONTRACTOR SIGNATURE**

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

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**PRINTED NAME AND TITLE OF SIGNATORY**

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**DATE OF ATTESTATION**



**Addendum 1 to the Contract**  
**Coupa Service Description/Terms**

- (1) User Accounts. The State is responsible for activity occurring under its User accounts and shall ensure that it and its Users abide by all laws and regulations applicable to the State's use of the Hosted Applications. Customer shall: (i) notify Contractor promptly of any unauthorized use of any password or account or any other breach of security; (ii) notify Contractor promptly and use reasonable efforts to promptly stop any unauthorized use, copying, or distribution of the Hosted Applications that is known or suspected by the State or its Users; (iii) not impersonate another Contractor user or provide false identity information to gain access to or use the Hosted Applications or Processing Environment and (iv) restrict each User account to only one authorized User at a time. "Users" means employees of the State and its representatives, consultants, contractors, subcontractors, or agents who are authorized to use the Hosted Applications and have been supplied unique user identifications and passwords by the State.
2. Restrictions. Except as otherwise permitted under this Contract, the State shall not (i) license, sublicense, sell, resell, transfer, rent, lease, assign (except as provided in the "Assignment" section of this Contract)), distribute, disclose, or otherwise commercially exploit the Hosted Applications; (ii) copy, modify or make derivative works based upon the Hosted Applications; (iii) "frame" or "mirror" the Hosted Applications on any other server or device; (iv) access the Hosted Applications for competitive purposes or use the Hosted Applications for application service provider, timesharing or service bureau purposes, or any purpose other than its own internal use, (v) decompile, disassemble, reverse engineer or attempt to discover any source code or underlying ideas or algorithms of the Hosted Applications, (vi) remove, obscure or modify a copyright or other proprietary rights notice in the Hosted Applications; (vii) use the Hosted Applications to send or store infringing, obscene, threatening, libelous, or otherwise unlawful material; (viii) use the Hosted Applications to create, use, send, store, or run material containing software viruses, worms, Trojan horses or otherwise engage in any malicious act or disrupt the security, integrity or operation of the Hosted Applications or the Processing Environment; (ix) attempt to gain or permit unauthorized access to the Hosted Applications or its related systems or networks; or (x) permit or assist any other party (including any User) to do any of the foregoing.
3. Coupa's Intellectual Property Rights. As between Contractor and the State, all right, title, and interest in and to the Hosted Applications, Documentation, and Processing Environment (including all rights therein, and all derivatives, translations, modifications and enhancements thereof) are, and shall remain, owned exclusively by Contractor notwithstanding any other provision in this Contract. This Contract is not a sale and does not convey to the State any rights of ownership in or related to the Hosted Applications, Processing Environment, or Documentation. The Contractor name, logo and product names are trademarks of Contractor, and no right or license is granted to use them. All rights not expressly granted to the State are reserved by Contractor. Contractor alone shall own all rights, title and interest in and to any suggestions, enhancement requests, feedback, or recommendations provided by the State or any third party relating thereto.
4. Confidential State Data. As between the State and Contractor, the State exclusively owns all rights, title and interest in and to all Confidential State Data. The State shall have sole

responsibility at the time of transmittal for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership of and right to use all Confidential State Data, and hereby warrants that that it has and will continue to have all rights and consents necessary to allow Contractor to use all such data as contemplated by this Contract. The State hereby grants to Contractor a royalty-free, fully-paid, non-exclusive, non-transferable (except as set forth in Contract, Section D.7, sub-licensable, worldwide right and license to reproduce, use, process, transfer and store Confidential State Data solely for the purposes of performing Contractor's obligations under this Contract and any other activities expressly agreed to by the State.

5. Use of Aggregate Data. The State agrees that as part of providing the Hosted Applications, Contractor may collect, use and disclose quantitative data derived from the use of the Hosted Applications for industry analysis, benchmarking, analytics and other business purposes. All data collected, used, and disclosed will be in aggregate form only and will not identify the State or its Users.
6. DISCLAIMER OF WARRANTIES. EXCEPT AS EXPRESSLY SET FORTH IN THIS CONTRACT, CONTRACTOR DOES NOT MAKE ANY OTHER REPRESENTATION, WARRANTY, OR GUARANTY, AS TO THE RELIABILITY, TIMELINESS, QUALITY, SUITABILITY, AVAILABILITY, ACCURACY OR COMPLETENESS OF THE HOSTED APPLICATIONS, PROCESSING ENVIRONMENT, UPDATES, DOCUMENTATION, SUPPORT AND/OR ANY OTHER CONTRACTOR SERVICES PROVIDED OR OFFERED HEREUNDER. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE SERVICES PROVIDED HEREUNDER ARE PROVIDED STRICTLY ON AN "AS IS" BASIS AND ALL CONDITIONS, REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR ANY WARRANTIES ARISING FROM USAGE OF TRADE, COURSE OF DEALING OR COURSE OF PERFORMANCE, ARE HEREBY DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

## **EXHIBIT A TO THE CONTRACT - SUBSCRIPTION SCHEDULE**

As used in this Exhibit A, the following terms will have the meanings as described below:

- "Coupa" means "Contractor" as previously defined in the Contract
- "Customer" means the "State" as previously defined in the Contract
- "Coupa Platform" means "Processing Environment" as previously defined in the Contract
- "Order Form" means the portion of this Contract that evidences the purchase of subscriptions to the Hosted Application(s) specifying, among other things, the Term, the number of Users, the applicable fees, etc. (i.e., the various, applicable subsections of sections A, B, and C of the Contract

### **EXHIBIT A-1: TECHNICAL SUPPORT**

The following describes the technical support services ("Technical Support") that Coupa shall provide for the support level purchased by Customer ("Support Level") as stated on the Order Form. The following terms may be updated from time to time, however, for each Order Form, the terms effective as of the execution of the Order Form shall apply for the duration of the applicable Term.

1. **Scope.** The purpose of Technical Support is to address defects in the Hosted Applications that prevent them from performing in substantial conformance with the applicable Documentation. A resolution to such a defect may consist of a fix, workaround or other relief reasonably determined by Coupa's Technical Support staff.
2. **Online Support Portal.** The Support Portal includes an online knowledge base, best practices for use of the Hosted Applications, and a portal for the Designated Support Contacts (as defined below) to submit support tickets.
3. **Live Phone Support.** Coupa personnel are available to provide Technical Support to Customer, depending on the Support Level (as defined below) purchased by Customer.
4. **Severity Levels.** Each support ticket shall be categorized by Customer into one of the following severity levels.

<b><u>Severity</u></b>	<b><u>Definition</u></b>
<u>Level 1</u>	<u>Severe error that results in the Hosted Applications experiencing complete unavailability and halting transactions with no workaround.</u>
<u>Level 2</u>	<u>Serious error that results in a major function of the Hosted Applications suffering a reproducible problem causing either major inconvenience to Users or consistent failure in a common functionality.</u>
<u>Level 3</u>	<u>Error that results in a common functionality experiencing an intermittent problem or a consistent failure in a less common functionality.</u>
<u>Level 4</u>	<u>Service requests such as sandbox refreshes, SSO setups, and other how-to type of questions.</u>

5. **Support Levels**

<b><u>Support Level</u></b>	<b><u>Basic</u></b>	<b><u>Premium</u></b>
<u>Online Ticket Submission, Phone Support</u>	<u>Severity 1: 24x7</u> <u>Severity 2-4: Mon-Fri, 8am-6pm at Customer's headquarters</u>	<u>24x7</u>
<u>Designated Support Contacts</u>	<u>Maximum of 5</u>	<u>Maximum of 10</u>

	<u><b>Response Times</b></u>	<u><b>Update Frequency</b></u>	<u><b>Response Times</b></u>	<u><b>Update Frequency</b></u>
<u>Severity 1</u>	<u>1 hour</u>	<u>2 hours</u>	<u>30 minutes</u>	<u>1 hour</u>
<u>Severity 2</u>	<u>4 hours</u>	<u>1 business day</u>	<u>2 hours</u>	<u>6 hours</u>
<u>Severity 3</u>	<u>3 business days</u>	<u>4 business days</u>	<u>2 business days</u>	<u>2 business days</u>
<u>Severity 4</u>	<u>7 business days</u>	<u>7 business days</u>	<u>5 business days</u>	<u>5 business days</u>

#### 6. **Customer Responsibilities**

- (a) Customer shall designate no more than the number of Coupa Platform administrators (" **Designated Support Contacts**") set forth above who may contact and interact with Coupa in connection with Technical Support requests. Customer's Designated Support Contacts shall answer questions and resolve issues as needed when they arise from other Users of the Hosted Applications. Customer's Designated Support Contacts enter support request tickets, work through Technical Support issues with Coupa, and take action as needed to implement the resolution to the issue. Customer agrees that Coupa may communicate and follow instructions to make changes to Customer Data and/or Customer's instances, with its Designated Support Contacts via email, phone or through the Support Portal.
- (b) Customer shall ensure that Customer's Designated Support Contacts are trained on the use and administration of the Hosted Applications.
- (c) Customer shall ensure that the name, contact and other information for these Designated Support Contacts are current in the Support Portal. Customer may replace Designated Support Contacts by updating the applicable information in the Support Portal, provided that at no time may Customer have more than the number of Designated Support Contacts permitted based on its Support Level.

#### 7. **Support Exclusions**

Coupa is not required to provide resolutions for immaterial defects or defects due to modifications of the Hosted Applications made by anyone other than Coupa (or anyone acting at Coupa's direction). Technical Support does not include professional services for implementation, configuration, integration or customization of a Hosted Application or custom software development, training or assistance with administrative functions.

#### 8. **Update Process**

Coupa shall use commercially reasonable efforts to (1) monitor the Hosted Applications and related infrastructure for opportunities to address performance, availability and security issues; and (2) at Coupa's discretion, deliver functionality enhancements to address customer and market requirements to improve such Hosted Applications based on Coupa innovation. Coupa's update and release process, as updated from time to time, is described at [https://success.coupa.com/Success/Release Management/01 Release Types](https://success.coupa.com/Success/Release%20Management/01%20Release%20Types) (" **Update Process**"). Customer shall upon notice comply with the Update Process and understands that not all Technical Support may be available if Customer does not comply with the Update Process and only the latest release of the Coupa Platform and Hosted Applications contains the most current features, availability, performance and security, including software fixes. Coupa is not responsible for product defects or security issues affecting the Hosted Applications or failure to meet the Uptime SLA (defined in Exhibit A-2) for Hosted Applications when Customer is not in compliance with the Update Process.

## **EXHIBIT A-2: SERVICE LEVEL AGREEMENT (SLA)**

1. If service outages result in a failure of any production instance of a Hosted Application to meet an uptime availability requirement of 99.8% over a calendar month ("***Uptime SLA***"), Customer's sole and exclusive remedy shall be a service credit equal to the *greater of*:
  - (a) Ten percent (10%) of the subscription fees set forth in the applicable Order Form for that calendar month; or
  - (b) The actual unavailability rate for that calendar month (as an example, if the Hosted Application has an uptime availability of 85% during a calendar month, then the service credit shall be fifteen percent (15%) of the applicable subscription fees for that calendar month).
2. The following events shall be excluded in calculating Uptime SLA:
  - (a) Planned maintenance windows, which are described at [https://success.coupa.com?cid=msa\\_planned\\_maintenance](https://success.coupa.com?cid=msa_planned_maintenance)
  - (b) Emergency maintenance required to address an exigent situation with the Hosted Application or Coupa Platform that if not addressed on an emergency basis could result in material harm to the Hosted Application or Coupa Platform. Coupa shall provide advance notice of emergency maintenance via the Support Portal to the extent practicable.
  - (c) Any unavailability caused by circumstances beyond Coupa's reasonable control, including without limitation, unavailability due to Customer or its Users' acts or omissions, a Force Majeure Event, Internet service provider failures or delays, failure or malfunction of equipment or systems not belonging to or controlled by Coupa.

Items (a) – (c) collectively, "**Excused Downtime**".

Coupa reserves the right to perform planned maintenance outside the target periods above if circumstances require, and Coupa shall provide prior notice to Customer via the Support Portal before doing so.

3. Uptime SLA is calculated as follows:

$\frac{(x - y - z)}{(x - z)} \times 100$	<u><math>x</math> = total number of minutes in a calendar month</u> <u><math>y</math> = downtime that is not excluded</u> <u><math>z</math> = Excused Downtime (as defined above)</u>
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Customer must request all service credits in writing to Coupa within thirty (30) days of the end of the month in which the Uptime SLA was not met, including identifying the period Customer's production instance of the Hosted Applications was not available. Coupa shall apply the service credit during Customer's next billing cycle unless the service credit is reasonably disputed by Coupa, in which case Customer and Coupa shall work together in good faith to resolve such dispute in a timely manner. The total amount of service credits for any month may not exceed the applicable monthly subscription fee for the affected Hosted Applications, and has no cash value (unless a service credit is owed at the termination or expiration of this Agreement without a renewal order, in which case, such service credit shall be paid to Customer within ninety (90) days of the end of the Term). Uptime and other system performance metrics can be found on [trust.coupa.com](https://trust.coupa.com).

### **EXHIBIT A-3: DATA SECURITY MEASURES**

The following describes Coupa's Security Program as of the Effective Date. The following terms may be updated from time to time, however, for each Order Form, terms effective as of execution of the Order Form shall apply for the duration of the applicable Subscription Term.

(A) **ORGANIZATIONAL ACCESS CONTROL**

- (i) **Control Environment.** Coupa employees are required to sign a written acknowledgement form documenting their receipt and understanding of the employee handbook and their responsibility for adhering to the policies and procedures therein. Employees are also required to sign a confidentiality agreement agreeing not to disclose proprietary or confidential information, including customer information, to unauthorized parties.
- (ii) **Access Administration.** Coupa employees do not have direct access to Customer Data, except where necessary for Technical Support, system management, maintenance, backups and other purposes separately authorized by Customer in writing. Access to Customer Data is further restricted to technical and customer support staff on a need-to-know basis. When an employee or contractor no longer has a business need for these privileges, his or her access is revoked in a timely manner, even if he or she continues to be an employee or contractor of Coupa. Coupa's policies require Coupa personnel to report any known security incidents to Coupa management for investigation and action.
- (iii) **Personnel Screening.** Criminal background checks are performed for employees with access to Customer Data as part of the hiring process.
- (iv) **Security Awareness and Training.** Coupa maintains a security awareness program that includes training of Coupa personnel on Coupa's security program. Training is conducted at the time of hire and periodically in accordance with Coupa's information security policies.
- (v) **Subprocessors and Data Transfer.** Coupa may engage Subprocessors and other Third-Party Suppliers (each as defined below) to perform some of its obligations under the Agreement. Coupa shall require that Subprocessors only access and use Customer Data in a manner consistent with the terms of the Agreement, and bind Subprocessors to written obligations to protect Customer Data. At the written request of Customer, Coupa shall provide additional information regarding Subprocessors and their locations. Customer may send such requests to Coupa's Data Privacy Officer at legalnotices@coupa.com. "**Third-Party Suppliers**" means third-party contractors and suppliers engaged by Coupa in the context of the provision of the Hosted Applications or Coupa Platform. "**Subprocessors**" means those Coupa Affiliates and Third-Party Suppliers that have access to, and process, Customer Data. As part of providing the Hosted Applications or Coupa Platform, Coupa and its Subprocessors may transfer, store and process Customer Data in the European Economic Area, United States, India or any other country in which Coupa and its Subprocessors maintain facilities.
- (vi) **Business Continuity Management Process.** Coupa shall maintain a business continuity plan (BCP) that defines the processes and procedures for the company to follow in the event of a disaster and shall review and shall regularly test Coupa's disaster recovery plan to ensure that it is capable of recovering Coupa assets and continuing key Coupa business processes in a timely manner.

(B) **PHYSICAL ACCESS CONTROL**

- (i) **Physical Protection of the Data Centers.** Physical access to data centers is strictly controlled by the cloud infrastructure provider ("IaaS Provider") both at the perimeter and at building ingress points by security staff. The IaaS Provider only provides data center access and information to employees and contractors who have a legitimate business need for such privileges. When an employee or contractor no longer has a business need for these privileges, his or her access is immediately revoked, even if he or she continues to be an employee or contractor of the IaaS Provider. All physical access to data centers is logged and audited routinely.
- (ii) **Availability.** Data centers are built in various global regions. All data centers are online and serving customers; no data center is "cold." In case of failure, automated processes move Customer Data traffic away from the affected area. The datacenters have backup power and environmental protection systems, which are regularly maintained and tested.
- (iii) **Disaster Recovery.** Coupa shall create a disaster recovery plan designed to provide appropriate technical and operational controls to deliver a recovery time objective (RTO) of no more than one hour and a recovery point objective (RPO) of availability with data loss of no more than one hour for the Hosted Applications.
- (iv) **Fire Detection and Suppression.** Automatic fire detection and suppression equipment has been installed to reduce risk and damage to data center environments.
- (v) **Power.** The data center electrical power systems are designed to be fully redundant and maintainable without impact to operations, 24 hours a day, and seven days a week. Data center facilities have power backup and

environmental protection systems in the event of an electrical failure for critical and essential loads in the facility.

- (vi) **Climate and Temperature.** Data centers are conditioned to maintain atmospheric conditions at optimal levels. Personnel and systems monitor and control temperature and humidity at appropriate levels.
- (vii) **Monitoring.** The IaaS Provider monitors electrical, mechanical, and life support systems and equipment so that any issues are immediately identified. Preventative maintenance is performed to maintain the continued operability of equipment.

(C) **TECHNICAL SECURITY MEASURES**

- (i) **Database Protection.** Database infrastructure is segregated from the application servers and the Internet via firewalls.
- (ii) **Encryption.** All communications are encrypted between the data exporter and the data centers using high-grade encryption (AES-256). Access to Coupa's on-demand applications and services is only available through secure sessions (https) and only available with an authenticated login and password. Passwords are never transmitted or stored in their original form.
- (iii) **Intrusion Protection.** The application infrastructure is protected against intrusion by industry standard firewalls at the network, host, and application levels, and intrusion detection systems across all servers. Unless otherwise agreed by Coupa in writing, Customer is prohibited from performing its own penetration on any system of Coupa.
- (iv) **Instance Isolation.** Different IaaS instances are hosted on the same physical machine and are isolated from each other through the hypervisor layer. All packets pass through this layer, so that another instance has no more access to Customer's instance than any other host on the Internet (*i.e.*, the instances look like they are on separate physical hosts). Customer instances in the IaaS Provider infrastructure have no access to raw disk devices, but instead are presented with virtualized disks.
- (v) **Malicious Software Protection.** The Hosted Applications and the Coupa Platform shall include reasonably up-to-date versions of system security agent software which shall include reasonably current and tested malware protection, patches and anti-virus protection.

(D) **RETURN OF CUSTOMER DATA**

**Customer will have a period of 60 days after the effective date of termination of the Agreement ("Transition Period") to download any Customer Data. Customer may seek assistance from Coupa during the Transition Period to download large files. Upon such request, Coupa will promptly make available for download the data in comma separated value (.csv) format along with attachments in their native format (e.g., PDF, JPEG, etc.). For clarity, such data will not include system generated log files or Coupa specific configuration data. After the Transition Period, Coupa shall have no obligation to maintain or provide any Customer Data and may thereafter, unless legally prohibited, delete all Customer Data in its systems or otherwise in its possession or under its control.**

(E) **EXCLUSIONS**

If Customer installs, uses, or enables third party services that interoperate with the Hosted Applications, then the Hosted Applications may allow such third party services to access, use, or otherwise process and transmit Customer Data. Coupa's Security Program does not apply to any processing, storage, or transmission of data outside the Coupa Platform, and Coupa is not responsible for the security practices (or any acts or omissions) of any third party service providers engaged by or on behalf of Customer. The Coupa Security Program excludes: (i) data or information shared with Coupa that is not stored in the Coupa Platform; or (ii) data in Customer's virtual private network (VPN) or a third party network other than one that is under a subcontract with Coupa to assist Coupa in fulfilling its obligations in the Agreement. Additionally, Coupa shall not be liable for any data used, processed, stored or transmitted by Customer or Users in violation of this Agreement.

**EXHIBIT B: COUPA ORDER FORM**

Customer Account Name:

**State of Tennessee**

Coupa Order ID:

**41714**

Customer Designated Contact: **Maria Paredes**  
Customer Billing Address: **600 Charlotte Ave**  
**Nashville, TN 37243-9034**  
**United States**  
Customer Designated Email: **maria.paredes@tn.gov**  
Customer Phone Number: **+1 (629) 888-5894**  
Customer Reference/PO#:   
Instance Hosting Location: **USA**

Customer Sales Contact: **Scott Blatnica**  
Subscription Start Date: **12/31/2019**  
Subscription End Date: **12/30/2024**  
Subscription Term: **36 Months**  
Payment Method: **Invoice, Annual in Advance**  
Payment Terms: **Net 30**  
Pricing Guarantee Expires: **12/31/2019**

<u>Product Name</u>	<u>Description</u>	<u>Qty.</u>	<u>Total Subscription Fee</u>
<u>Coupa Aquire Marketplace</u>	<u>Annual Subscription to Coupa Aquire Marketplace, which includes: unlimited users, analytics, audit, shopping, advanced guided buying, self-service supplier portal</u>	<u>Unlimited</u>	<u>USD 1,817,060.00</u>
<u>Coupa Aquire Quote</u>	<u>Annual Subscription to Coupa Aquire Quote, which includes: unlimited users, unlimited suppliers, unlimited quotes</u>	<u>1</u>	<u>Included in Above Total</u>
<u>Coupa Aquire Catalog Content</u>	<u>Annual Subscription to Coupa Catalog Content, which includes:</u> <u>20 Punch-in Catalog Agent Subscription (each)</u> <u>10 Punch-Out Catalogs</u> <u>50 Hosted Catalogs</u> <u>1 Language – English</u> <u>1 Currency – USD</u>	<u>1</u>	<u>Included in Above Total</u>
<u>Coupa ERP Integration Service</u>	<u>Annual Subscription to Coupa ERP Integration Service for the stated quantity of ERPs</u>	<u>1</u>	<u>Included in Above Total</u>
<u>Customer Care Success Plan - Basic</u>	<u>Coupa Success Plan Level: "Basic"</u> <u>• Maintenance, Support and Product Updates</u> <u>• Support Hours: 24x7 for Severity 1 &amp; Weekdays</u> <u>8:00am to 6:00pm Severity 2/3/4</u> <u>• Initial response 1hr - Sev1 / Customer update 2hrs - Sev1 (SLTs*)</u> <u>• Five (5) delegated support contacts</u> <u>• One Test ("Sandbox") and one Production Environment</u> <u>• Infrastructure Hosting &amp; Disaster Recovery</u> <u>* SLT: Service Level Targets</u>	<u>1</u>	<u>Included in Above Total</u>
<b><u>TOTAL:</u></b>			<b><u>USD 1,817,060.00</u></b>

<b><u>Total Year 1 Fee:</u></b>	<b><u>USD 363,412.00</u></b>
<b><u>Total Year 2 Fee:</u></b>	<b><u>USD 363,412.00</u></b>
<b><u>Total Year 3 Fee:</u></b>	<b><u>USD 363,412.00</u></b>
<b><u>Total Year 4 Fee:</u></b>	<b><u>USD 363,412.00</u></b>
<b><u>Total Year 5 Fee:</u></b>	<b><u>USD 363,412.00</u></b>
<b><u>Total Fee:</u></b>	<b><u>USD 1,817,060.00</u></b>

**Coupa Order Comments:**

- This Order Form shall be governed by the Contract Between the State of Tennessee Department of General Services and Coupa Software Inc, signed by Customer and Coupa upon renewal of service on 12/31/2019.
- Coupa has made available standard API and flat file formats for both inbound and outbound data which Customer may use to integrate to the Coupa platform as part of the Coupa subscription. The flat files of inbound and outbound data must



be placed on the Coupa provided sFTP site. For more information on the available Coupa standard API and flat file integration objects, related specifications, and answers to commonly asked integration questions, please visit <http://integrate.coupa.com>.

3. Third Party Data Feeds. If Customer chooses to import third party data transactions into the Coupa cloud service in the form of requisitions, purchase orders, invoices and/or expense reports, Customer must purchase a subscription to the "Open Business Network for Third Party Systems" as set forth on an Order Form.
4. Upon expiration of the Subscription End Date, Customer may renew the term of this Order Form for One (1) additional One (1) Year Subscription Term ("Renewal Term"). Coupa will cap the subscription fee rate increase for the Renewal Term to 7%, as detailed in the Renewal Term Addendum below.
5. Certain applications/functions require additional processing of Customer Data (including personal data) by a Coupa subprocessor as listed under <https://success.coupa.com/subprocessors>.

**To Be Completed by Customer if Address Above is Incorrect:**

<u>Customer Billing Address</u>	<u>Customer Shipping Address</u>
<u>Street Address:</u>	<u>Street Address:</u>
<u>City:</u>	<u>City:</u>
<u>State:</u>	<u>State:</u>
<u>Zip Code:</u>	<u>Zip Code:</u>
<u><input type="checkbox"/> PO Required PO Number:</u> <u>Send to <a href="mailto:billing@coupa.com">billing@coupa.com</a></u>	<u><input type="checkbox"/> Sales Tax Exempt</u> <u>**Tax will be assessed, if required, based on the ship to address**</u> <u>Send exemption certificate to <a href="mailto:billing@coupa.com">billing@coupa.com</a></u>
<u>Accounts Payable Contact:</u>	<u>Coupa Admin Contact:</u>
<u>Accounts Payable Email:</u>	<u>Coupa Admin Email:</u>

<u>Signature - State Of Tennessee</u>		<u>Signature - Coupa Software Inc.</u>	
<u>Signature:</u>	<u>/ES1/</u>	<u>Signature:</u>	<u>/ES2/</u>
<u>Name:</u>	<u>/SN1/</u>	<u>Name:</u>	<u>/SN2/</u>
<u>Title:</u>	<u>/ST1/</u>	<u>Title:</u>	<u>/ST2/</u>
<u>Date:</u>	<u>/SD1/</u>	<u>Date:</u>	<u>/SD2/</u>

## Renewal Term Addendum

If Customer elects to renew, based on the terms herein, the renewal Subscription Term will be set out in a new Order Form mutually executed by Coupa and Customer at the time of the renewal (hereinafter, the "Renewal Term"). Customer may renew the terms of this Order Form for one (1) additional Renewal Term.

## Renewal Rate Calculation - Innovation Index Fee plus the Consumer Price Index (CPI-U)

### Customer Renewal Rate

<u>Renewal Term</u> (Months)	<u>Innovation Index Fee</u> (A)	<u>Consumer Price Index (CPI-U)*</u> (B)	<u>Renewal Rate</u> (A + B)
<u>12</u>	<u>5.10%</u>	<u>1.90%</u>	<u>7%</u>

\* Consumer Price Index for All Urban Consumers (CPI-U), established by the United States Department of Labor for All Urban Consumers, US City Average, All Items.

Coupa will cap the Renewal Rate increase applicable for the Renewal Term to the total of the Innovation Index Fee and the Consumer Price Index (CPI-U).

The Renewal Rate cap guarantee applies only (a) to the same Coupa solutions that are in the expiring Subscription Term and (b) when the renewal Order Form has the same or greater quantity of licensed subscription as accumulated in the expiring Subscription Term.

### Innovation Index Fee

The Innovation Index Fee aims to capture a fraction of the value we are continually providing our customers. Each year, Coupa averages hundreds of new, innovative features released to its customer base through three release cycles. Over Customer's Subscription Term, these new features, collectively, may enhance Customer's ability to bring more spend under management which can improve Customer's top and bottom line.

### Consumer Price Index (CPI-U) Fee

The Consumer Price Index (CPI-U) helps cover inflationary costs that erode our captured value. This fee does not address our increasing energy, storage, and other costs.



## STS Pre-Approval Endorsement Request E-Mail Transmittal

**TO :** STS Contracts  
Department of Finance & Administration  
E-mail : [it.abc@tn.gov](mailto:it.abc@tn.gov)

**FROM :** **Chris Romaine** | Contract Manager  
Office of Administrative Services  
Tennessee Tower, 22nd Floor  
312 Rosa L. Parks Ave., Nashville, TN 37243  
p. 615-979-6700  
E-mail : [Chris.Romaine@tn.gov](mailto:Chris.Romaine@tn.gov)

**DATE :** 7/16/2019 **Endorsement Request submitted to STS on Wed 8/14/2019 8:36 AM**

**RE :** Request for STS Pre-Approval Endorsement

**Applicable RFS # 32101-71619**

### State Security Confidential Information Applicability

Under Tenn. Code Ann. §10-7-504(i) vendor identity or a description of the goods or services provided by the vendor shall be confidential.

- ☐ Applicable  
☒ Not Applicable

Additional language is attached and endorsement is contingent upon inclusion of this additional language:

- ☒ Applicable  
☐ Not Applicable

### STS Endorsement Signature & Date:

**Stephanie Dedmon,** Digitally signed by Stephanie  
**CIO (WMH)** Dedmon, CIO (WMH)  
Date: 2019.08.22 16:56:00 -05'00'

**Chief Information Officer**

*NOTE: Proposed contract/grant support is applicable to the subject IT service technical merit.*

**Applicable RFS # 32101-71619**

Strategic Technology Solutions (STS) pre-approval endorsement is required pursuant to procurement regulations pertaining to contracts with information technology as a component of the scope of service. This request seeks to ensure that STS is aware of and has an opportunity to review the procurement detailed below and in the attached document(s). This requirement applies to any procurement method regardless of dollar amount.

Please indicate STS endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

<b>Contracting Agency</b>	<b>Department of General Services</b>
<b>Agency Contact</b> (name, phone, e-mail)	<b>Chris Romaine</b>   Contract Manager Office of Administrative Services Tennessee Tower, 22nd Floor 312 Rosa L. Parks Ave., Nashville, TN 37243 p. 615-979-6700 <a href="mailto:Chris.Romaine@tn.gov">Chris.Romaine@tn.gov</a>
<b>Attachments Supporting Request</b> (mark all applicable) Note: The complete draft procurement document and the applicable documents listed below must accompany this request when submitted to STS. Special Contract Requests and Amendment Requests without Agency Head signature are acceptable. STS is aware that these documents will not have CPO signature when submitted with this request. <ul style="list-style-type: none"> <li><input type="checkbox"/> Solicitation Document</li> <li><input type="checkbox"/> Special Contract Request</li> <li><input type="checkbox"/> Amendment Request</li> <li><input checked="" type="checkbox"/> Proposed Contract/Grant or Amendment</li> <li><input type="checkbox"/> Original Contract/Grant and Previous Amendments (if any)</li> </ul>	
<b>Information Systems Plan (ISP) Project Applicability</b> To avoid delay of STS pre-approval, the applicability of an ISP project to the procurement must be confirmed with agency IT staff prior to submitting this request to STS. If necessary, agency IT staff should contact STS Planning with questions concerning the need for an ISP project. <p>IT Director/Staff Name Confirming (required):</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Applicable – Approved ISP Project#</li> <li><input checked="" type="checkbox"/> Not Applicable</li> </ul>	
<b>Subject Information Technology Service Description</b> Provide a brief summary of the information technology services involved. Clearly identify included technologies such as system development/maintenance, security, networking, <i>etc.</i> As applicable, identify the contract or solicitation sections related to the IT services. <p>The Department of General Services requires a contract for a third-party software solution with catalog management functionality and support for the software system. The Contractor shall provide accessibility through a “master punch-out” and the ability to pull relevant information back into Edison, the State’s Oracle PeopleSoft ERP Application system (Version 9.2) – and the ability to accept Oracle updates. Updates are PUM (PeopleSoft Update Manager) versions. Currently on Version 9.2 PUM 29.</p> <p>The proposed contract speaks further on IT requirements in sections A.4 – A.14, A.17, A.18, and E.7.</p>	

**Attachment: STS Endorsement Conditions**

**This STS endorsement is contingent upon modification of the procurement documents as described below.**

*STS endorses 32101-71619 – Coupa Software Inc. with the understanding that the documentation be modified as follows:*

Under Section E.7.d. (1) “Disaster Recovery Capabilities”, i. and ii., please include the Recovery Point Objective (RPO) and the Recovery Time Objective (RTO) values.



## MEMO

**TO:** Chris Salita, Director of Sourcing  
Mark Naftel, Staff Attorney

**FROM:** Maria Paredes, Sourcing Analyst

**DATE:** September 9<sup>th</sup>, 2019

**SUBJECT:** Recommendation of Special Contract Request (cy19-14146)

The Department of General Services, on behalf of the Tennessee Central Procurement Office (CPO) is seeking approval of a special contract request for a five year sole source contract with Coupa Software Inc. This contract would provide for a third-party software solution with catalog management functionality and support for the software system; also known as TN SmartShop

The CPO utilizes a third-party software solution that provides catalog management functionality. The functionality provides a “master punch-out” and the ability to pull relevant information back into Edison, the State’s Oracle PeopleSoft ERP Application system. The original contract was with Vinimaya, Inc., who was recently purchased by Coupa. Coupa now owns the rights to the Aquire Marketplace solution which was originally awarded through a competitive bid process back in December 2012.

The Aquire Marketplace has proprietary technology that provides the only known dynamic, real-time search capability of vendor’s online catalogs. This new contract would allow for continued functionality without the potential lose some of its procurement technology such as TN SmartShop.

Pursuant to Section 6.2.1 of the Central Procurement Office Procedure Manual, I am recommending the approval of this sole source request.

Chris  
Salita

Digitally signed by Chris Salita  
DN: cn=Chris Salita, o=CPO,  
ou=32101,  
email=Chris.Salita@tn.gov, c=US  
Date: 2019.09.10 09:00:59 -05'00'

Director of Sourcing

Date

Mark Naftel -  
Associate Counsel

Digitally signed by Mark Naftel - Associate Counsel  
DN: cn=Mark Naftel - Associate Counsel, o=General  
Services, ou=Central Procurement Office,  
email=mark.naftel@tn.gov, c=US  
Date: 2019.09.09 10:33:02 -05'00'

9/9/19

CPO Legal

Date

# Special Contract Request

This form should be utilized to facilitate contract and procurement requests that require the Chief Procurement Officer's prior approval and that of the Comptroller of the Treasury, as applicable.

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.

Route a completed request, as one file in PDF format, via e-mail attachment sent to: agsprs.agsprs@tn.gov.


<p><b>APPROVED</b></p> <p><b>Michael F. Perry-CS</b></p> <p><small>Digitally signed by Michael F. Perry-CS DN: cn=Michael F. Perry-CS, o=CPO, ou=32101, email=Chris.Salita@tn.gov, c=US Date: 2019.09.10 09:01:11 -05'00'</small></p>	<p><b>APPROVED</b></p> <p><b>Bryan Chriske on behalf of Comptroller Justin P. Wilson</b></p> <p><small>Digitally signed by Bryan Chriske on behalf of Comptroller Justin P. Wilson Date: 2019.09.11 15:51:09 -05'00'</small></p>
<b>CHIEF PROCUREMENT OFFICER</b>	<b>COMPTROLLER OF THE TREASURY</b>
<b>DATE</b>	<b>DATE</b>

<b>Request Tracking #</b>	<b>32101-02719</b>
<b>1. Contracting Agency</b>	<b>Department of General Services</b>
<b>2. Type of Contract or Procurement Method</b>	<input type="checkbox"/> No Cost <input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Sole Source <input type="checkbox"/> Proprietary <input type="checkbox"/> Competitive Negotiation <input type="checkbox"/> Other _____
<b>3. Requestor Contact Information</b>	<b>Chris Romaine</b>   Program Manager Office of Administrative Services Tennessee Tower, 22nd Floor 312 Rosa L. Parks Ave., Nashville, TN 37243 p. 615-979-6700 <a href="mailto:Chris.Romaine@tn.gov">Chris.Romaine@tn.gov</a>
<b>4. Brief Goods or Services Caption</b>	<b>Catalog Management Software Solution</b>
<b>5. Description of the Goods or Services to be Acquired</b>	<b>The Tennessee Central Procurement Office (CPO) utilizes a third-party software solution that provides catalog management functionality. The functionality provides a "master punch-out" and the ability to pull relevant information back into Edison, the State's Oracle PeopleSoft ERP Application system.</b>
<b>6. Proposed Contractor</b>	<b>Coupa Software Inc. (Supplier ID: 230409)</b>
<b>7. Name &amp; Address of the Contractor's principal owner(s)</b> <i>– NOT required for a TN state education institution</i>	<b>San Mateo, California</b>

<b>Request Tracking #</b>	<b>32101-02719</b>
<b>8. Proposed Contract Period – with ALL options to extend exercised</b> <i>The proposed contract start date shall follow the approval date of this request.</i>	<b>60 months</b>
<b>9. Strategic Technology Solutions (“STS”) Pre-Approval Endorsement Request</b> <i>– information technology (N/A to THDA)</i>	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Attached
<b>10. eHealth Pre-Approval Endorsement Request</b> <i>– health-related professional, pharmaceutical, laboratory, or imaging</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
<b>11. Human Resources Pre-Approval Endorsement Request</b> <i>– contracts with an individual, state employee training, or services related to the employment of current or prospective state employees</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
<b>12. Are these goods or services currently available on a statewide contract? If YES, please explain why the current statewide contract is not being used for this procurement.</b>	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES,
<b>13. Maximum Contract Cost – with ALL options to extend exercised</b>	<b>\$1,851,025</b>
<b>14. Was there an initial government estimate? If so, what amount?</b>	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES, \$
<b>15. Cost Determination Used-</b> How did agency arrive at the estimate of expected costs?	<b>Cost was estimated based on previous contract and new quote provided by proposed contractor (attached)</b>
<b>16. Explanation of Fair and Reasonable Price-</b> Explain how agency determined that price is fair and reasonable	<b>Quote was provided by sole source provider who also is the incumbent of the previous contract. The current quote is in line with costs of previous contract.</b>
<b>17. Documentation of Discussions with Contractor-</b> How did agency document discussions with Contractor? Attach documentation to this request as applicable.	<b>Phone and email</b>
<b>18. Explanation of Need for or requirement placed on the State to acquire the goods or services</b>	<b>That State uses this catalog management functionality to provide a “master punch-out” and the ability to pull relevant information back into Edison. Without this the State would lose some of its procurement technology such as TN SmartShop.</b>
<b>19. Proposed contract impact on current State operations</b>	<b>This contract will allow procurement technologies such as TN SmartShop to continue improving some procurement processes for many State employees.</b>



<b>Request Tracking #</b>	<b>32101-02719</b>
<b>20. Justification</b> – Specifically explain why the goods or services should be acquired through the procurement method or contract type selected.	The original contract was with Vinimaya, Inc., who was recently purchased by Coupa. Coupa now owns the rights to the Aquire Marketplace solution which was originally awarded through a competitive bid process back in December 2012. The Aquire Marketplace has proprietary technology that provides the only known dynamic, real-time search capability of vendor's online catalogs. This new contract would allow for continued functionality and business compatibility with the State's current financial planning systems.
<b>For No Cost and Revenue Contracts Only</b>	
<b>21. What costs will the State incur as a result of this contract? If any, please explain.</b>	
<b>22. What is the total estimated revenue that the State would receive as a result of this contract?</b>	
<b>23. Could the State also contract with other parties interested in entering substantially the same agreement? Please explain.</b>	<input type="checkbox"/> NO <input type="checkbox"/> YES
<b>24. Summary of State responsibilities under proposed contract</b>	
<b>For Sole Source and Proprietary Procurements Only</b>	
<b>25. Evidence of Contractor's experience &amp; length of experience providing the goods or services to be procured.</b>	Coupa was founded in 2006 and has over 1,000 employees. In 2018, the company was named a leader in multiple IDC MarketScape Assessments. Coupa was previous contract holder and performance was excellent.
<b>26. Has the contracting agency procured the subject goods or services before? If yes, provide the method used to purchase the goods or services and the name and address of the contractor.</b>	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES, Method: RFQ Name/Address: Vinimaya Inc. 10290 Alliance Rd. Cincinnati, OH 45242
<b>27. Contractor selection process and efforts to identify reasonable, competitive, procurement alternatives</b>	
<b>Signature Required for all Special Contract Requests</b>	

<b>Request Tracking #</b>	<b>32101-02719</b>
<b>Signature of Agency head or authorized designee, title of signatory, and date</b> (the authorized designee may sign his or her own name if indicated on the Signature Certification and Authorization document)	
<div style="text-align: center;"> Digitally signed by Thomas W. Chester DN: cn=Thomas W. Chester, o, ou=Department of General Services, email=thomas.w.chester@tn.gov, c=US Date: 2019.09.04 16:02:22 -05'00'</div>	
Signature:	Date: 09/04/2019



## STS Pre-Approval Endorsement Request E-Mail Transmittal

**TO :** STS Contracts  
Department of Finance & Administration  
E-mail : [it.abc@tn.gov](mailto:it.abc@tn.gov)

**FROM :** **Chris Romaine** | Contract Manager  
Office of Administrative Services  
Tennessee Tower, 22nd Floor  
312 Rosa L. Parks Ave., Nashville, TN 37243  
p. 615-979-6700  
E-mail : [Chris.Romaine@tn.gov](mailto:Chris.Romaine@tn.gov)

**DATE :** 7/16/2019 **Endorsement Request submitted to STS on Wed 8/14/2019 8:36 AM**

**RE :** Request for STS Pre-Approval Endorsement

**Applicable RFS # 32101-71619**

### State Security Confidential Information Applicability

Under Tenn. Code Ann. §10-7-504(i) vendor identity or a description of the goods or services provided by the vendor shall be confidential.

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### STS Endorsement Signature & Date:

**Stephanie Dedmon,** Digitally signed by Stephanie  
**CIO (WMH)** Dedmon, CIO (WMH)  
Date: 2019.08.22 16:56:00 -05'00'

**Chief Information Officer**

*NOTE: Proposed contract/grant support is applicable to the subject IT service technical merit.*

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<b>Contracting Agency</b>	<b>Department of General Services</b>
<b>Agency Contact</b> (name, phone, e-mail)	<b>Chris Romaine</b>   Contract Manager Office of Administrative Services Tennessee Tower, 22nd Floor 312 Rosa L. Parks Ave., Nashville, TN 37243 p. 615-979-6700 <a href="mailto:Chris.Romaine@tn.gov">Chris.Romaine@tn.gov</a>
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**This STS endorsement is contingent upon modification of the procurement documents as described below.**

*STS endorses 32101-71619 – Coupa Software Inc. with the understanding that the documentation be modified as follows:*

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 <div style="display: inline-block; vertical-align: middle; margin-left: 10px;"> <h2 style="margin: 0;">CONTRACT</h2> <p style="margin: 0; font-size: small;">(fee-for-goods or services contract with an individual, business, non-profit, or governmental entity of another state)</p> </div>																																																					
<b>Begin Date</b> January 1 <sup>st</sup> , 2020		<b>End Date</b> December 31 <sup>st</sup> , 2025		<b>Agency Tracking #</b> 32101-103019	<b>Edison Record ID</b> 64576																																																
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<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">Funding — FY</th> <th style="text-align: right;">State</th> <th style="text-align: right;">Federal</th> <th style="text-align: right;">Interdepartmental</th> <th style="text-align: right;">Other</th> <th style="text-align: right;">TOTAL Contract Amount</th> </tr> <tr> <td style="text-align: center;">2020</td> <td style="text-align: right;">\$181,706.00</td> <td></td> <td></td> <td></td> <td style="text-align: right;">\$181,706.00</td> </tr> <tr> <td style="text-align: center;">2021</td> <td style="text-align: right;">\$363,412.00</td> <td></td> <td></td> <td></td> <td style="text-align: right;">\$363,412.00</td> </tr> <tr> <td style="text-align: center;">2022</td> <td style="text-align: right;">\$363,412.00</td> <td></td> <td></td> <td></td> <td style="text-align: right;">\$363,412.00</td> </tr> <tr> <td style="text-align: center;">2023</td> <td style="text-align: right;">\$363,412.00</td> <td></td> <td></td> <td></td> <td style="text-align: right;">\$363,412.00</td> </tr> <tr> <td style="text-align: center;">2024</td> <td style="text-align: right;">\$363,412.00</td> <td></td> <td></td> <td></td> <td style="text-align: right;">\$363,412.00</td> </tr> <tr> <td style="text-align: center;">2025</td> <td style="text-align: right;">\$181,706.00</td> <td></td> <td></td> <td></td> <td style="text-align: right;">\$181,706.00</td> </tr> <tr> <td style="text-align: center;"><b>TOTAL:</b></td> <td style="text-align: right;"><b>\$1,817,060.00</b></td> <td></td> <td></td> <td></td> <td style="text-align: right;"><b>\$1,817,060.00</b></td> </tr> </table>						Funding — FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount	2020	\$181,706.00				\$181,706.00	2021	\$363,412.00				\$363,412.00	2022	\$363,412.00				\$363,412.00	2023	\$363,412.00				\$363,412.00	2024	\$363,412.00				\$363,412.00	2025	\$181,706.00				\$181,706.00	<b>TOTAL:</b>	<b>\$1,817,060.00</b>				<b>\$1,817,060.00</b>
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<b>Contractor Ownership Characteristics:</b> <input type="checkbox"/> Minority Business Enterprise (MBE): <div style="margin-left: 40px;"> <input type="checkbox"/> African American   <input type="checkbox"/> Asian American   <input type="checkbox"/> Hispanic American   <input type="checkbox"/> Native American         </div> <input type="checkbox"/> Woman Business Enterprise (WBE) <input type="checkbox"/> Tennessee Service Disabled Veteran Enterprise (SDVBE) <input type="checkbox"/> Disabled Owned Business (DSBE) <input type="checkbox"/> Tennessee Small Business Enterprise (SBE): \$10,000,000.00 averaged over a three (3) year period or employs no more than ninety-nine (99) employees. <input type="checkbox"/> Government <input type="checkbox"/> Non-Minority/Disadvantaged <input type="checkbox"/> Other:																																																					
<b>Selection Method &amp; Process Summary</b> (mark the correct response to confirm the associated summary) <input type="checkbox"/> Competitive Selection <input checked="" type="checkbox"/> Other      Special Contract Request- Sole Source. This is the current vendor for the services, there has been a name change																																																					
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.																																																					
<b>Speed Chart</b> (optional)		<b>Account Code</b> (optional)																																																			

**CONTRACT  
BETWEEN THE STATE OF TENNESSEE  
DEPARTMENT OF GENERAL SERVICES  
AND  
COUPA SOFTWARE INC.**

This Contract, by and between the State of Tennessee, Department of General Services ("State") and Coupa Software Inc. ("Contractor"), is for the provision of a third-party software system functionality with catalog management functionality and support for the software system., as further defined in the "SCOPE." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is For-Profit Corporation.

Contractor Place of Incorporation or Organization: 1855 S. Grant Street, San Mateo, CA 94402.

Contractor Edison Registration ID #0000230409.

**A. SCOPE:**

A.1. The Contractor shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Contract.

A.2. Provide a third-party software solution with catalog management functionality and support for the software system. Includes the following products:

<u>Product Name</u>	<u>Description</u>	<u>Qty.</u>	<u>Total Subscription Fee</u>
Coupa Aquire Marketplace	Annual Subscription to Coupa Aquire Marketplace, which includes: unlimited users, analytics, audit, shopping, advanced guided buying, self-service supplier portal	Unlimited	Max Liability
Coupa Aquire Quote	Annual Subscription to Coupa Aquire Quote, which includes: unlimited users, unlimited suppliers, unlimited quotes	1	Included in Above Total
Coupa Aquire Catalog Content	Annual Subscription to Coupa Catalog Content, which includes: <ul style="list-style-type: none"><li>▪ 20 Punch-in Catalog Agent Subscription (each)</li><li>▪ 10 Punch-Out Catalogs</li><li>▪ 50 Hosted Catalogs</li><li>▪ 1 Language – English</li><li>▪ 1 Currency – USD</li></ul>	1	Included in Above Total
Coupa ERP Integration Service	Annual Subscription to Coupa ERP Integration Service for the stated quantity of ERPs	1	Included in Above Total
Customer Care Success Plan - Basic	Coupa Success Plan Level: "Basic" <ul style="list-style-type: none"><li>▪ Maintenance, Support and Product Updates</li><li>▪ Support Hours: 24x7 for Severity 1 &amp; Weekdays- 8:00am to 6:00pm Severity 2/3/4</li><li>▪ Initial response 1hr - Sev1 / Customer update 2hrs -Sev1 (SLTs*)</li><li>▪ Five (5) delegated support contacts</li><li>▪ One Test ("Sandbox") and one Production Environment</li><li>▪ Infrastructure Hosting &amp; Disaster Recover</li></ul> * SLT: Service Level Targets	1	Included in Above Total



- A.3. Accessibility through a “master punch-out” and ability to pull relevant information back into Edison, the State’s Oracle PeopleSoft ERP Application system (Version 9.2) – and the ability to accept Oracle updates. Updates are PUM (PeopleSoft Update Manager) versions. Currently on Version 9.2 PUM 29.
- A.4. Offer accessibility through two separate avenues. The first, by other governmental bodies, will be directly from a web-enabled landing page, customized and branded, to the State’s specifications. The second, accessed by state employees, must be accessed through a “master punch-out” where the vendor hosted software solution is integrated with Edison.
- A.5. Includes the basic data elements required to integrate with Edison Version 9.2 PUM 29 and future PUM updates.

<b><u>Data Element</u></b>	<b><u>Description</u></b>	<b><u>Standard</u></b>
Quantity	Quantity of a specific item to be added to the shopping cart	
Unit of Measure (UOM)	Code that represents the unit of measure for the item, such as a case or pound	UN/CEFACT ANSI
Unit Price	Unit Price for the item	
Currency Code	Currency code, such as “USD” for US dollar	ISO 4127
Commodity Code	UNSPSC 8-digit code for each item	UNSPSC
Item Description	Description of the product	
Country Code	Country code as listed in the standard	ISO 3166
Language Code	As listed in the standard	ISO 639
Supplier Part number	Part Number of the line item as defined by the supplier	
Supplier Part Auxiliary ID	Additional ID offered by supplier – Sometimes used for configurable items	
Manufacturer Part number	Part Number of the line item as defined by the manufacturer	
Manufacturer Name	Name of manufacturer of the line item	
Supplier DUNS Number	DUNS number of supplier – can also be the ERP’s Supplier ID – used to identify the supplier back to the ERP system	
Supplier Lead Time	Estimated number of days for delivery of line item from supplier	

- A.6. The system functionality supports an online retail-type buying experience for users.
- A.7. The system functionality supports contract administration activities such as tracking of contract spend and expiration dates and contract compliance to preferred or core list items.
- A.8. The system functionality supports diverse and intuitive search activities.
- A.9. The system functionality supports the gathering and distributing of information to system users.
- A.10. Contractor utilizes stakeholder management strategies that will ensure highest possible levels of user adoption and ongoing compliance.
- A.11. Contractor develops program management plans that identify governance structures, executive sponsors and issue resolution procedures.
- A.12. Contractor utilizes a formal risk management plan that identifies key implementation risks and defines risk mitigation approaches.

- A.13. Contractor utilizes formal, documented backup and redundancy measures to ensure continuity of service and preservation of State data.
- A.14. Provide a dedicated account management and system support staff.
- A.15. Provide training (classroom, online, manuals) for catalog management and system use across all user roles (i.e., administrators, end users, suppliers).
- A.16. Abide by the Service Level Agreements (SLA's) as noted in Exhibit A-2.
- A.17. Update and maintain catalog data
- A.18. Implement a Disaster Recovery plan for the software
- A.19. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be valid for the Term of this Contract. The goods or services provided under this Contract (i.e., the Hosted Application(s), as defined in section E.7.a.4, below) shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any material nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge, in accordance with the notification and remediation process described below.

Contractor represents and warrants that it has the right and authority to provide all services under this contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If, after a period of thirty (30) days from the written notice of the warranty claim by the State to Coupa, Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to terminate the Defective service(s) and recover all prepaid subscription fees paid to Contractor for the Defective services covering the remainder of the Term of this Contract after the Effective Date of termination. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

- A.20. Reserved.

**B. CONTRACT PERIOD:**

This Contract shall be effective on January 1, 2020 ("Effective Date") and extend for a period of sixty (60) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed one million, eight hundred- seventeen thousand, and sixty dollars (\$1,817,060.00) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.

C.2. Compensation Firm. The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor. The State is a tax-exempt entity and will provide a certificate of tax exemption upon request.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in the Contract.
- b. The Contractor shall be compensated based upon the following payment methodology:

Fixed Fee Structure	
Annual Subscription and Service Fees (Services shall be ordered as set forth in Order Form, Exhibit B.)	Amount (per compensable increment)
Contract Year 1	\$363,412
Contract Year 2	\$363,412
Contract Year 3	\$363,412
Contract Year 4	\$363,412
Contract Year 5	\$363,412

Variable Fee Structure	
Add-on Service Fees	Amount (per compensable increment)
Professional Service Fees	\$200/Per Hour
Additional Bundle of Agents (10) for Punch Outs	\$16,350 Annual Fee/Per Bundle
Additional Bundles for Hosted Catalogs	No Annual Fee/Per Bundle

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging, unless expressly agreed to otherwise by the Parties.

C.5. Invoice Requirements. The Contractor shall invoice the State for subscription fees due hereunder annually in advance, and then shall invoice the state for all professional services fees in accordance with the applicable statement of work, with all necessary supporting documentation, to:

Office of Administrative Services  
Tennessee Tower, 22nd Floor  
312 Rosa L. Parks Ave., Nashville, TN 37243  
OAS.ElectronicInvoices@tn.gov

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
  - (1) Invoice number (assigned by the Contractor);
  - (2) Invoice date;
  - (3) Contract number (assigned by the State);
  - (4) Customer account name: Department of General Services, Central Procurement Office
  - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
  - (6) Contractor name;
  - (7) Contractor Tennessee Edison registration ID number;
  - (8) Contractor contact for invoice questions (name, phone, or email);
  - (9) Contractor remittance address;
  - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable; and
  - (11) Total amount due for delivered goods or services provided (as stipulated in Section C.3. above).
- b. The Contractor understands and agrees that an invoice under this Contract shall:
  - (1) only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Contract Section C;
  - (2) not include Contractor's taxes which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
  - (3) begin the timeframe for payment (and any discounts) only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this Section C.5.

C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter in good faith. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.

C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.

C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee, any amounts that are or shall become due and payable to the State of Tennessee by the Contractor.

C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.

- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH; and
- b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the

Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

**D. STANDARD TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Lorraine Lassourreille, DGS Procurement Program Director  
Department of General Services, Central Procurement Office  
Tennessee Tower 3rd Floor  
312 Rosa L Parks Ave, Nashville, TN 37243  
[Lorraine.Lassourreille@tn.gov](mailto:Lorraine.Lassourreille@tn.gov)  
Telephone # 615-741-3060

The Contractor:

Scott Blatnica | Director, Customer Value Management  
Coupa Software Inc.  
1855 S. Grant Street, San Mateo, CA 94402 USA  
[Scott.Blatnica@coupa.com](mailto:Scott.Blatnica@coupa.com)  
Telephone # 412.298.7814

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon reasonable written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming services provided to the State and for all authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount, but, for clarity, the State will remain responsible for all fees accrued up to the date of termination.

D.5. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least sixty (60) to ninety (90) days written notice prior to the start of each anniversary within the Term. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.

D.6. Termination for Cause. If a Party ("Breaching Party") fails to properly perform its obligations under this Contract, or if a Party materially violates any terms of this Contract ("Breach Condition"), the other Party ("Non-breaching Party") may provide written notice to the Breaching Party specifying the Breach Condition. If within thirty (30) days of notice, the Breaching Party has not cured the Breach Condition, the Non-breaching Party may terminate the Contract. In the event the Non-breaching Party is the State, the State may withhold payments in excess of compensation for completed services or provided goods. The Breaching Party shall not be relieved of liability to the Non-breaching Party for damages sustained by virtue of any breach of this Contract, and the Non-breaching Party may seek other remedies allowed at law or in equity for breach of this Contract.

D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State which approval shall not be unreasonably withheld. Notwithstanding the above, subject to notification to the State and the execution of a formal amendment to this Contract (if required), Contractor may assign this Contract in its entirety: (i) to an affiliate; or (ii) in the connection with a merger, acquisition, corporate reorganization; or (iii) sale of all or substantially all of its assets. The entities referenced in (i), (ii), and (iii) are collectively the "Assignee." Any Assignee must be properly authorized to conduct business with the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.

D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment A, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
  - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
  - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection (as set forth in State Executive Order- Regarding Compliance with Federal and State Laws Related to Employing and Contracting with Illegal Immigrants, signed September 5, 2006) at any reasonable time upon reasonable notice by the State.
  - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
  - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.
- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.

- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless from any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death.
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all third party claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys' fees, court costs, expert witness fees, and other litigation expenses for the State to enforce the terms of this Contract. Contractor's indemnity obligations under this section shall be limited as set forth in D.18 above.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.



- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
  - b. Contractor warrants that it will reasonably cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
  - c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
  - d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.
- D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System ("TCRS"), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8-35-101, *et seq.*, accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.
- D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.
- D.23. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.
- D.25. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the performance of this Contract. The State shall comply with all applicable state and federal laws and regulations in the use of the services provided by the Contractor under this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 408.
- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:

- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
  - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below).
  - c.
- D.31. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Contract. The Contractor certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.32. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend and require additional insurance coverage, coverage amounts, and endorsements required under this Contract. Contractor's failure to maintain or submit evidence of insurance coverage, as required, is a material breach of this Contract, subject to section D.6 above. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall immediately notify the State. All insurance companies providing coverage must be: (a) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"); and (b) rated A- / VII or better by A.M. Best. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State but only to the extent of liabilities falling within Contractor's obligations under this Contract. Contractor agrees to name the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. All policies must contain an endorsement for a waiver of subrogation in favor of the State, except as prohibited by law. The deductible or SIR and any premiums are the Contractor's sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two million dollars (\$2,000,000) in coverage, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) combined with an umbrella policy for an additional one million dollars (\$1,000,000). If the deficient underlying policy is for a coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area. In the event that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory—Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred). The COI must list each insurer's National Association of Insurance Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3<sup>rd</sup> floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI ten (10) business days prior to the Effective Date and again thirty (30) calendar days before renewal or replacement of coverage. Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that subcontractors are included under the Contractor's policy. At any time, the State may require Contractor to provide a valid COI. The Parties agree that failure to provide evidence of insurance coverage as required is a material breach of this Contract, subject to section D.6. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a

letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses. The State reserves the right to require copies of the declaration page of all required insurance policies, including endorsements required by these specifications, at any time.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

**The insurance obligations under this Contract shall be: (1)—the insurance coverage and policy limits shown in this Contract. No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.**

a. Commercial General Liability ("CGL") Insurance

- 1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

The Contractor shall maintain single limits not less than one million dollars (\$1,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this policy or location of occurrence or the general aggregate limit shall be twice the required occurrence limit.

b. Workers' Compensation and Employer Liability Insurance

- 1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
  - i. Workers' compensation in an amount not less than one million dollars (\$1,000,000) including employer liability of one million dollars (\$1,000,000) per accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit by disease, and one million dollars (\$1,000,000) per employee for bodily injury by disease.
- 2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
  - i. The Contractor employs fewer than five (5) employees;
  - ii. The Contractor is a sole proprietor;
  - iii. The Contractor is in the construction business or trades with no employees;

- iv. The Contractor is in the coal mining industry with no employees;
- v. The Contractor is a state or local government; or
- vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

c. Automobile Liability Insurance

- 1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles) used in the course and scope of the Contract.
- 2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit.

d. Technology Professional Liability (Errors & Omissions)/Cyber Liability Insurance

- 1) The Contractor shall maintain Technology Professional Liability (Errors & Omissions) / Cyber Liability insurance appropriate to the Contractor's profession in an amount not less than ten million dollars (\$10,000,000) per occurrence or claim and ten million dollars (\$10,000,000) annual aggregate, which policy includes cyber-liability insurance for financial losses arising from theft, destruction or corruption of data, including but not limited to privacy and data security breaches, virus transmission, unauthorized access, denial of service and loss of income from network security failures.
- 2) This coverage shall include data breach expenses, regulatory fines, penalties, and costs of claim defense. This coverage shall also include, but not be limited to, the costs of computer forensic investigations, public relations, credit file restoration, crisis management, credit file monitoring, and remediation services and expenses.

D.33. Major Procurement Contract Sales and Use Tax. Pursuant to Tenn. Code Ann. § 4-39-102 and to the extent applicable, the Contractor and the Contractor's subcontractors shall remit sales and use taxes on the sales of goods or services that are made by the Contractor or the Contractor's subcontractors and that are subject to tax.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.
- E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Contract.

E.3. Intellectual Property Indemnity. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State concerning or arising out of any claim of an alleged patent, copyright, trade secret or other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give such notice shall only relieve Contractor of its obligations under this Section to the extent Contractor can demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State of Tennessee in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.

E.4. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. Upon reasonable request, the State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII (which will take the form of the Contractor's relevant audit reports with respect to the service, conducted by independent accounting firms (e.g., SSAE 18, SOC 1 Type 2 and SOC 2 Type 2 reports) and Contractor shall, and cause its employees, agents and representatives to, so comply with all reasonable requests from the State to enable the State to verify or ensure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract, Contractor shall destroy all records of such PII (unless legally prohibited).

The Contractor shall report to the State any instances of unauthorized access to or unauthorized disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law.

E.5. Contractor Hosted Services Confidential Data, Audit, and Other Requirements

- a. "Confidential State Data" is defined as data deemed confidential by State or Federal statute or regulation and is provided or submitted by Customer or on behalf of Customer to the Processing Environment in the course of using the Hosted Application. The Contractor shall protect Confidential State Data as follows:

- (1) The Contractor shall ensure that all Confidential State Data is housed in the continental United States, inclusive of backup data.
- (2) The Contractor shall encrypt Confidential State Data at rest and in transit using the current version of Federal Information Processing Standard ("FIPS") 140-2 compliant encryption technologies.
- (3) Throughout the Term, the State can use the Hosted Application functionality to retrieve all Confidential State Data residing in the Hosted Application.
- (4) Upon termination of this Contract and in consultation with the State, the Contractor shall destroy all Confidential State Data it holds (including any copies such as backups) in accordance with the current version of National Institute of Standards and Technology ("NIST") Special Publication 800-88 and its data retention policy (which means that the Contractor shall retain no copies of the Confidential State Data except for a backup copy of Confidential State Data, which will be maintained by the Contractor for no longer than 2 years after the termination of this Contract; and such backup copy will be inaccessible in the course of ordinary business). The Contractor shall provide a written confirmation of destruction to the State within ten (10) business days after destruction.

b. Minimum Requirements

- (1) The Contractor agrees to maintain the Application so that it will run on a current, manufacturer-supported Operating System. "Operating System" shall mean the software that supports a computer's basic functions, such as scheduling tasks, executing applications, and controlling peripherals.
- (2) If the Application requires middleware or database software, Contractor shall maintain middleware and database software versions that are at all times fully compatible with current versions of the Operating System and Application to ensure that security vulnerabilities are not introduced.

c. Business Continuity Requirements. The Contractor shall maintain set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations ("Business Continuity Requirements"). Business Continuity Requirements shall include:

- (1) "Disaster Recovery Capabilities" refer to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives defined below. Disaster Recovery Capabilities shall meet the following objectives:
  - i. Recovery Point Objective ("RPO"). The RPO is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident: Twenty-four (24) hours
  - ii. Recovery Time Objective ("RTO"). The RTO is defined as the targeted duration of time and a service level within which a business process must be restored after a disaster (or disruption) in order to avoid unacceptable consequences associated with a break in business continuity: Forty-eight (48) hours

The Contractor shall perform at least one Disaster Recovery Test every three hundred sixty-five (365) days. A "Disaster Recovery Test" shall mean the process of verifying the success of the restoration procedures that are executed after a critical IT failure or disruption occurs. Upon request, the Contractor shall provide a written summary of

Contractor's business continuity/disaster recovery program testing results to the State after each Disaster Recovery Test that its Disaster Recovery Capabilities meet the RPO and RTO requirements.

- E.6. Additional lines, items, or options. At its sole discretion, the State may make written requests to the Contractor to add lines, items, or options that are needed and within the Scope but were not included in the original Contract. Such lines, items, or options will be added to the Contract through a Memorandum of Understanding ("MOU"), not an amendment.
- a. After the Contractor receives a written request to add lines, items, or options, the Contractor shall have ten (10) business days to respond with a written proposal. The Contractor's written proposal shall include:
    - (1) The effect, if any, of adding the lines, items, or options on the other goods or services required under the Contract;
    - (2) Any pricing related to the new lines, items, or options;
    - (3) The expected effective date for the availability of the new lines, items, or options; and
    - (4) Any additional information requested by the State.
  - b. The State may negotiate the terms of the Contractor's proposal by requesting revisions to the proposal.
  - c. To indicate acceptance of a proposal, the Parties will sign it. The signed proposal shall constitute a MOU between the Parties, and the lines, items, or options shall be incorporated into the Contract as if set forth verbatim.
- Only after a MOU has been executed shall the Contractor perform or deliver the new lines, items, or options.

**IN WITNESS WHEREOF,**

**COUPA SOFTWARE INC.:**

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**CONTRACTOR SIGNATURE**

**DATE**

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**PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)**

**DEPARTMENT OF GENERAL SERVICES:**

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**NAME & TITLE**

**DATE**



**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

<b>SUBJECT CONTRACT NUMBER:</b>	
<b>CONTRACTOR LEGAL ENTITY NAME:</b>	
<b>EDISON VENDOR IDENTIFICATION NUMBER:</b>	

**The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.**

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**CONTRACTOR SIGNATURE**

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

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**PRINTED NAME AND TITLE OF SIGNATORY**

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**DATE OF ATTESTATION**

**Addendum 1 to the Contract**  
**Coupa Service Description/Terms**

- (1) User Accounts. The State is responsible for activity occurring under its User accounts and shall ensure that it and its Users abide by all laws and regulations applicable to the State's use of the Hosted Applications. Customer shall: (i) notify Contractor promptly of any unauthorized use of any password or account or any other breach of security; (ii) notify Contractor promptly and use reasonable efforts to promptly stop any unauthorized use, copying, or distribution of the Hosted Applications that is known or suspected by the State or its Users; (iii) not impersonate another Contractor user or provide false identity information to gain access to or use the Hosted Applications or Processing Environment and (iv) restrict each User account to only one authorized User at a time. "Users" means employees of the State and its representatives, consultants, contractors, subcontractors, or agents who are authorized to use the Hosted Applications and have been supplied unique user identifications and passwords by the State.
2. Restrictions. Except as otherwise permitted under this Contract, the State shall not (i) license, sublicense, sell, resell, transfer, rent, lease, assign (except as provided in the "Assignment" section of this Contract)), distribute, disclose, or otherwise commercially exploit the Hosted Applications; (ii) copy, modify or make derivative works based upon the Hosted Applications; (iii) "frame" or "mirror" the Hosted Applications on any other server or device; (iv) access the Hosted Applications for competitive purposes or use the Hosted Applications for application service provider, timesharing or service bureau purposes, or any purpose other than its own internal use, (v) decompile, disassemble, reverse engineer or attempt to discover any source code or underlying ideas or algorithms of the Hosted Applications, (vi) remove, obscure or modify a copyright or other proprietary rights notice in the Hosted Applications; (vii) use the Hosted Applications to send or store infringing, obscene, threatening, libelous, or otherwise unlawful material; (viii) use the Hosted Applications to create, use, send, store, or run material containing software viruses, worms, Trojan horses or otherwise engage in any malicious act or disrupt the security, integrity or operation of the Hosted Applications or the Processing Environment; (ix) attempt to gain or permit unauthorized access to the Hosted Applications or its related systems or networks; or (x) permit or assist any other party (including any User) to do any of the foregoing.
3. Coupa's Intellectual Property Rights. As between Contractor and the State, all right, title, and interest in and to the Hosted Applications, Documentation, and Processing Environment (including all rights therein, and all derivatives, translations, modifications and enhancements thereof) are, and shall remain, owned exclusively by Contractor notwithstanding any other provision in this Contract. This Contract is not a sale and does not convey to the State any rights of ownership in or related to the Hosted Applications, Processing Environment, or Documentation. The Contractor name, logo and product names are trademarks of Contractor, and no right or license is granted to use them. All rights not expressly granted to the State are reserved by Contractor. Contractor alone shall own all rights, title and interest in and to any suggestions, enhancement requests, feedback, or recommendations provided by the State or any third party relating thereto.
4. Confidential State Data. As between the State and Contractor, the State exclusively owns all rights, title and interest in and to all Confidential State Data. The State shall have sole responsibility at the time of transmittal for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership of and right to use all Confidential State Data, and hereby warrants that that it has and will continue to have all rights and consents necessary to allow Contractor to use all such data as contemplated by this Contract. The State hereby grants to Contractor a royalty-free, fully-paid, non-exclusive, non-transferable (except as set forth in Contract, Section D.7, sub-licensable, worldwide right and license to reproduce, use, process, transfer and store Confidential State Data solely for the purposes of performing Contractor's obligations under this Contract and any other activities expressly agreed to by the State.

5. Use of Aggregate Data. The State agrees that as part of providing the Hosted Applications, Contractor may collect, use and disclose quantitative data derived from the use of the Hosted Applications for industry analysis, benchmarking, analytics and other business purposes. All data collected, used, and disclosed will be in aggregate form only and will not identify the State or its Users.
6. **DISCLAIMER OF WARRANTIES.** EXCEPT AS EXPRESSLY SET FORTH IN THIS CONTRACT, CONTRACTOR DOES NOT MAKE ANY OTHER REPRESENTATION, WARRANTY, OR GUARANTY, AS TO THE RELIABILITY, TIMELINESS, QUALITY, SUITABILITY, AVAILABILITY, ACCURACY OR COMPLETENESS OF THE HOSTED APPLICATIONS, PROCESSING ENVIRONMENT, UPDATES, DOCUMENTATION, SUPPORT AND/OR ANY OTHER CONTRACTOR SERVICES PROVIDED OR OFFERED HEREUNDER. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE SERVICES PROVIDED HEREUNDER ARE PROVIDED STRICTLY ON AN "AS IS" BASIS AND ALL CONDITIONS, REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR ANY WARRANTIES ARISING FROM USAGE OF TRADE, COURSE OF DEALING OR COURSE OF PERFORMANCE, ARE HEREBY DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

## EXHIBIT A TO THE CONTRACT - SUBSCRIPTION SCHEDULE

As used in this Exhibit A, the following terms will have the meanings as described below:

- "Coupa" means "Contractor" as previously defined in the Contract
- "Customer" means the "State" as previously defined in the Contract
- "Coupa Platform" means "Processing Environment" as previously defined in the Contract
- "Order Form" means the portion of this Contract that evidences the purchase of subscriptions to the Hosted Application(s) specifying, among other things, the Term, the number of Users, the applicable fees, etc. (i.e., the various, applicable subsections of sections A, B, and C of the Contract)

### EXHIBIT A-1: TECHNICAL SUPPORT

The following describes the technical support services ("**Technical Support**") that Coupa shall provide for the support level purchased by Customer ("**Support Level**") as stated on the Order Form. The following terms may be updated from time to time, however, for each Order Form, the terms effective as of the execution of the Order Form shall apply for the duration of the applicable Term.

1. **Scope.** The purpose of Technical Support is to address defects in the Hosted Applications that prevent them from performing in substantial conformance with the applicable Documentation. A resolution to such a defect may consist of a fix, workaround or other relief reasonably determined by Coupa's Technical Support staff.
2. **Online Support Portal.** The Support Portal includes an online knowledge base, best practices for use of the Hosted Applications, and a portal for the Designated Support Contacts (as defined below) to submit support tickets.
3. **Live Phone Support.** Coupa personnel are available to provide Technical Support to Customer, depending on the Support Level (as defined below) purchased by Customer.
4. **Severity Levels.** Each support ticket shall be categorized by Customer into one of the following severity levels.

Severity	Definition
Level 1	Severe error that results in the Hosted Applications experiencing complete unavailability and halting transactions with no workaround.
Level 2	Serious error that results in a major function of the Hosted Applications suffering a reproducible problem causing either major inconvenience to Users or consistent failure in a common functionality.
Level 3	Error that results in a common functionality experiencing an intermittent problem or a consistent failure in a less common functionality.
Level 4	Service requests such as sandbox refreshes, SSO setups, and other how-to type of questions.

#### 5. Support Levels

Support Level	Basic	Premium
<i>Online Ticket Submission, Phone Support</i>	Severity 1: 24x7 Severity 2-4: Mon-Fri, 8am-6pm at Customer's headquarters	24x7
<i>Designated Support Contacts</i>	Maximum of 5	Maximum of 10

	Response Times	Update Frequency	Response Times	Update Frequency
Severity 1	1 hour	2 hours	30 minutes	1 hour
Severity 2	4 hours	1 business day	2 hours	6 hours
Severity 3	3 business days	4 business days	2 business days	2 business days
Severity 4	7 business days	7 business days	5 business days	5 business days

## 6. Customer Responsibilities

- (a) Customer shall designate no more than the number of Coupa Platform administrators ("**Designated Support Contacts**") set forth above who may contact and interact with Coupa in connection with Technical Support requests. Customer's Designated Support Contacts shall answer questions and resolve issues as needed when they arise from other Users of the Hosted Applications. Customer's Designated Support Contacts enter support request tickets, work through Technical Support issues with Coupa, and take action as needed to implement the resolution to the issue. Customer agrees that Coupa may communicate and follow instructions to make changes to Customer Data and/or Customer's instances, with its Designated Support Contacts via email, phone or through the Support Portal.
- (b) Customer shall ensure that Customer's Designated Support Contacts are trained on the use and administration of the Hosted Applications.
- (c) Customer shall ensure that the name, contact and other information for these Designated Support Contacts are current in the Support Portal. Customer may replace Designated Support Contacts by updating the applicable information in the Support Portal, provided that at no time may Customer have more than the number of Designated Support Contacts permitted based on its Support Level.

## 7. Support Exclusions

Coupa is not required to provide resolutions for immaterial defects or defects due to modifications of the Hosted Applications made by anyone other than Coupa (or anyone acting at Coupa's direction). Technical Support does not include professional services for implementation, configuration, integration or customization of a Hosted Application or custom software development, training or assistance with administrative functions.

## 8. Update Process

Coupa shall use commercially reasonable efforts to (1) monitor the Hosted Applications and related infrastructure for opportunities to address performance, availability and security issues; and (2) at Coupa's discretion, deliver functionality enhancements to address customer and market requirements to improve such Hosted Applications based on Coupa innovation. Coupa's update and release process, as updated from time to time, is described at [https://success.coupa.com/Success/Release\\_Management/01\\_Release\\_Types](https://success.coupa.com/Success/Release_Management/01_Release_Types) ("**Update Process**"). Customer shall upon notice comply with the Update Process and understands that not all Technical Support may be available if Customer does not comply with the Update Process and only the latest release of the Coupa Platform and Hosted Applications contains the most current features, availability, performance and security, including software fixes. Coupa is not responsible for product defects or security issues affecting the Hosted Applications or failure to meet the Uptime SLA (defined in [Exhibit A-2](#)) for Hosted Applications when Customer is not in compliance with the Update Process.

## EXHIBIT A-2: SERVICE LEVEL AGREEMENT (SLA)

1. If service outages result in a failure of any production instance of a Hosted Application to meet an uptime availability requirement of 99.8% over a calendar month ("**Uptime SLA**"), Customer's sole and exclusive remedy shall be a service credit equal to the *greater* of:
  - (a) Ten percent (10%) of the subscription fees set forth in the applicable Order Form for that calendar month; or
  - (b) The actual unavailability rate for that calendar month (as an example, if the Hosted Application has an uptime availability of 85% during a calendar month, then the service credit shall be fifteen percent (15%) of the applicable subscription fees for that calendar month).
2. The following events shall be excluded in calculating Uptime SLA:
  - (a) Planned maintenance windows, which are described at [https://success.coupa.com?cid=msa\\_planned\\_maintenance](https://success.coupa.com?cid=msa_planned_maintenance)
  - (b) Emergency maintenance required to address an exigent situation with the Hosted Application or Coupa Platform that if not addressed on an emergency basis could result in material harm to the Hosted Application or Coupa Platform. Coupa shall provide advance notice of emergency maintenance via the Support Portal to the extent practicable.
  - (c) Any unavailability caused by circumstances beyond Coupa's reasonable control, including without limitation, unavailability due to Customer or its Users' acts or omissions, a Force Majeure Event, Internet service provider failures or delays, failure or malfunction of equipment or systems not belonging to or controlled by Coupa.

Items (a) – (c) collectively, "**Excused Downtime**".

Coupa reserves the right to perform planned maintenance outside the target periods above if circumstances require, and Coupa shall provide prior notice to Customer via the Support Portal before doing so.

3. Uptime SLA is calculated as follows:

$\frac{(x - y - z)}{(x - z)} \times 100$	<p><math>x</math> = total number of minutes in a calendar month</p> <p><math>y</math> = downtime that is not excluded</p> <p><math>z</math> = Excused Downtime (as defined above)</p>
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Customer must request all service credits in writing to Coupa within thirty (30) days of the end of the month in which the Uptime SLA was not met, including identifying the period Customer's production instance of the Hosted Applications was not available. Coupa shall apply the service credit during Customer's next billing cycle unless the service credit is reasonably disputed by Coupa, in which case Customer and Coupa shall work together in good faith to resolve such dispute in a timely manner. The total amount of service credits for any month may not exceed the applicable monthly subscription fee for the affected Hosted Applications, and has no cash value (unless a service credit is owed at the termination or expiration of this Agreement without a renewal order, in which case, such service credit shall be paid to Customer within ninety (90) days of the end of the Term). Uptime and other system performance metrics can be found on [trust.coupa.com](https://trust.coupa.com).

### **EXHIBIT A-3: DATA SECURITY MEASURES**

The following describes Coupa's Security Program as of the Effective Date. The following terms may be updated from time to time, however, for each Order Form, terms effective as of execution of the Order Form shall apply for the duration of the applicable Subscription Term.

#### **(A) ORGANIZATIONAL ACCESS CONTROL**

- (i) **Control Environment.** Coupa employees are required to sign a written acknowledgement form documenting their receipt and understanding of the employee handbook and their responsibility for adhering to the policies and procedures therein. Employees are also required to sign a confidentiality agreement agreeing not to disclose proprietary or confidential information, including customer information, to unauthorized parties.
- (ii) **Access Administration.** Coupa employees do not have direct access to Customer Data, except where necessary for Technical Support, system management, maintenance, backups and other purposes separately authorized by Customer in writing. Access to Customer Data is further restricted to technical and customer support staff on a need-to-know basis. When an employee or contractor no longer has a business need for these privileges, his or her access is revoked in a timely manner, even if he or she continues to be an employee or contractor of Coupa. Coupa's policies require Coupa personnel to report any known security incidents to Coupa management for investigation and action.
- (iii) **Personnel Screening.** Criminal background checks are performed for employees with access to Customer Data as part of the hiring process.
- (iv) **Security Awareness and Training.** Coupa maintains a security awareness program that includes training of Coupa personnel on Coupa's security program. Training is conducted at the time of hire and periodically in accordance with Coupa's information security policies.
- (v) **Subprocessors and Data Transfer.** Coupa may engage Subprocessors and other Third-Party Suppliers (each as defined below) to perform some of its obligations under the Agreement. Coupa shall require that Subprocessors only access and use Customer Data in a manner consistent with the terms of the Agreement, and bind Subprocessors to written obligations to protect Customer Data. At the written request of Customer, Coupa shall provide additional information regarding Subprocessors and their locations. Customer may send such requests to Coupa's Data Privacy Officer at [legalnotices@coupa.com](mailto:legalnotices@coupa.com). "**Third-Party Suppliers**" means third-party contractors and suppliers engaged by Coupa in the context of the provision of the Hosted Applications or Coupa Platform. "**Subprocessors**" means those Coupa Affiliates and Third-Party Suppliers that have access to, and process, Customer Data. As part of providing the Hosted Applications or Coupa Platform, Coupa and its Subprocessors may transfer, store and process Customer Data in the European Economic Area, United States, India or any other country in which Coupa and its Subprocessors maintain facilities.
- (vi) **Business Continuity Management Process.** Coupa shall maintain a business continuity plan (BCP) that defines the processes and procedures for the company to follow in the event of a disaster and shall review and shall regularly test Coupa's disaster recovery plan to ensure that it is capable of recovering Coupa assets and continuing key Coupa business processes in a timely manner.

#### **(B) PHYSICAL ACCESS CONTROL**

- (i) **Physical Protection of the Data Centers.** Physical access to data centers is strictly controlled by the cloud infrastructure provider ("IaaS Provider") both at the perimeter and at building ingress points by security staff. The IaaS Provider only provides data center access and information to employees and contractors who have a legitimate business need for such privileges. When an employee or contractor no longer has a business need for these privileges, his or her access is immediately revoked, even if he or she continues to be an employee or contractor of the IaaS Provider. All physical access to data centers is logged and audited routinely.
- (ii) **Availability.** Data centers are built in various global regions. All data centers are online and serving customers; no data center is "cold." In case of failure, automated processes move Customer Data traffic away from the affected area. The datacenters have backup power and environmental protection systems, which are regularly maintained and tested.
- (iii) **Disaster Recovery.** Coupa shall create a disaster recovery plan designed to provide appropriate technical and operational controls to deliver a recovery time objective (RTO) of no more than one hour and a recovery point objective (RPO) of availability with data loss of no more than one hour for the Hosted Applications.
- (iv) **Fire Detection and Suppression.** Automatic fire detection and suppression equipment has been installed to reduce risk and damage to data center environments.
- (v) **Power.** The data center electrical power systems are designed to be fully redundant and maintainable without impact to operations, 24 hours a day, and seven days a week. Data center facilities have power backup and

environmental protection systems in the event of an electrical failure for critical and essential loads in the facility.

- (vi) **Climate and Temperature.** Data centers are conditioned to maintain atmospheric conditions at optimal levels. Personnel and systems monitor and control temperature and humidity at appropriate levels.
- (vii) **Monitoring.** The IaaS Provider monitors electrical, mechanical, and life support systems and equipment so that any issues are immediately identified. Preventative maintenance is performed to maintain the continued operability of equipment.

(C) **TECHNICAL SECURITY MEASURES**

- (i) **Database Protection.** Database infrastructure is segregated from the application servers and the Internet via firewalls.
- (ii) **Encryption.** All communications are encrypted between the data exporter and the data centers using high-grade encryption (AES-256). Access to Coupa's on-demand applications and services is only available through secure sessions (https) and only available with an authenticated login and password. Passwords are never transmitted or stored in their original form.
- (iii) **Intrusion Protection.** The application infrastructure is protected against intrusion by industry standard firewalls at the network, host, and application levels, and intrusion detection systems across all servers. Unless otherwise agreed by Coupa in writing, Customer is prohibited from performing its own penetration on any system of Coupa.
- (iv) **Instance Isolation.** Different IaaS instances are hosted on the same physical machine and are isolated from each other through the hypervisor layer. All packets pass through this layer, so that another instance has no more access to Customer's instance than any other host on the Internet (*i.e.*, the instances look like they are on separate physical hosts). Customer instances in the IaaS Provider infrastructure have no access to raw disk devices, but instead are presented with virtualized disks.
- (v) **Malicious Software Protection.** The Hosted Applications and the Coupa Platform shall include reasonably up-to-date versions of system security agent software which shall include reasonably current and tested malware protection, patches and anti-virus protection.

(D) **RETURN OF CUSTOMER DATA**

**Customer will have a period of 60 days after the effective date of termination of the Agreement ("Transition Period") to download any Customer Data. Customer may seek assistance from Coupa during the Transition Period to download large files. Upon such request, Coupa will promptly make available for download the data in comma separated value (.csv) format along with attachments in their native format (*e.g.*, PDF, JPEG, etc.). For clarity, such data will not include system generated log files or Coupa specific configuration data. After the Transition Period, Coupa shall have no obligation to maintain or provide any Customer Data and may thereafter, unless legally prohibited, delete all Customer Data in its systems or otherwise in its possession or under its control.**

(E) **EXCLUSIONS**

If Customer installs, uses, or enables third party services that interoperate with the Hosted Applications, then the Hosted Applications may allow such third party services to access, use, or otherwise process and transmit Customer Data. Coupa's Security Program does not apply to any processing, storage, or transmission of data outside the Coupa Platform, and Coupa is not responsible for the security practices (or any acts or omissions) of any third party service providers engaged by or on behalf of Customer. The Coupa Security Program excludes: (i) data or information shared with Coupa that is not stored in the Coupa Platform; or (ii) data in Customer's virtual private network (VPN) or a third party network other than one that is under a subcontract with Coupa to assist Coupa in fulfilling its obligations in the Agreement. Additionally, Coupa shall not be liable for any data used, processed, stored or transmitted by Customer or Users in violation of this Agreement.

**EXHIBIT B: COUPA ORDER FORM**

Customer Account Name: **State of Tennessee**  
Customer Designated Contact: **Maria Paredes**

Coupa Order ID: **41714**  
Customer Sales Contact: **Scott Blatnica**



Customer Billing Address: **600 Charlotte Ave  
Nashville, TN 37243-9034  
United States**

Subscription Start Date: **12/31/2019**  
Subscription End Date: **12/30/2024**  
Subscription Term: **36 Months**

Customer Designated Email: **maria.paredes@tn.gov**  
Customer Phone Number: **+1 (629) 888-5894**  
Customer Reference/PO#:

Payment Method: **Invoice, Annual in Advance**  
Payment Terms: **Net 30**  
Pricing Guarantee Expires: **12/31/2019**

Instance Hosting Location: **USA**

Product Name	Description	Qty.	Total Subscription Fee
Coupa Aquire Marketplace	Annual Subscription to Coupa Aquire Marketplace, which includes: unlimited users, analytics, audit, shopping, advanced guided buying, self-service supplier portal	Unlimited	USD 1,817,060.00
Coupa Aquire Quote	Annual Subscription to Coupa Aquire Quote, which includes: unlimited users, unlimited suppliers, unlimited quotes	1	Included in Above Total
Coupa Aquire Catalog Content	Annual Subscription to Coupa Catalog Content, which includes: 20 Punch-in Catalog Agent Subscription (each) 10 Punch-Out Catalogs 50 Hosted Catalogs 1 Language – English 1 Currency – USD	1	Included in Above Total
Coupa ERP Integration Service	Annual Subscription to Coupa ERP Integration Service for the stated quantity of ERPs	1	Included in Above Total
Customer Care Success Plan - Basic	Coupa Success Plan Level: "Basic" • Maintenance, Support and Product Updates • Support Hours: 24x7 for Severity 1 & Weekdays 8:00am to 6:00pm Severity 2/3/4 • Initial response 1hr - Sev1 / Customer update 2hrs - Sev1 (SLTs*) • Five (5) delegated support contacts • One Test ("Sandbox") and one Production Environment • Infrastructure Hosting & Disaster Recovery * SLT: Service Level Targets	1	Included in Above Total
<b>TOTAL:</b>			<b>USD 1,817,060.00</b>

<b>Total Year 1 Fee:</b>	<b>USD 363,412.00</b>
<b>Total Year 2 Fee:</b>	<b>USD 363,412.00</b>
<b>Total Year 3 Fee:</b>	<b>USD 363,412.00</b>
<b>Total Year 4 Fee:</b>	<b>USD 363,412.00</b>
<b>Total Year 5 Fee:</b>	<b>USD 363,412.00</b>
<b>Total Fee:</b>	<b>USD 1,817,060.00</b>

**Coupa Order Comments:**

1. This Order Form shall be governed by the Contract Between the State of Tennessee Department of General Services and Coupa Software Inc, signed by Customer and Coupa upon renewal of service on 12/31/2019.
2. Coupa has made available standard API and flat file formats for both inbound and outbound data which Customer may use to integrate to the Coupa platform as part of the Coupa subscription. The flat files of inbound and outbound data must be placed on the Coupa provided sFTP site. For more information on the available Coupa standard API and flat file

integration objects, related specifications, and answers to commonly asked integration questions, please visit <http://integrate.coupa.com>.

3. Third Party Data Feeds. If Customer chooses to import third party data transactions into the Coupa cloud service in the form of requisitions, purchase orders, invoices and/or expense reports, Customer must purchase a subscription to the "Open Business Network for Third Party Systems" as set forth on an Order Form.
4. Upon expiration of the Subscription End Date, Customer may renew the term of this Order Form for One (1) additional One (1) Year Subscription Term ("Renewal Term"). Coupa will cap the subscription fee rate increase for the Renewal Term to 7%, as detailed in the Renewal Term Addendum below.
5. Certain applications/functions require additional processing of Customer Data (including personal data) by a Coupa subprocessor as listed under <https://success.coupa.com/subprocessors>.

**To Be Completed by Customer if Address Above is Incorrect:**

Customer Billing Address	Customer Shipping Address
Street Address:	Street Address:
City:	City:
State:	State:
Zip Code:	Zip Code:
<input type="checkbox"/> PO Required PO Number: _____ Send to <a href="mailto:billing@coupa.com">billing@coupa.com</a>	<input type="checkbox"/> Sales Tax Exempt **Tax will be assessed, if required, based on the ship to address** Send exemption certificate to <a href="mailto:billing@coupa.com">billing@coupa.com</a>
Accounts Payable Contact:	Coupa Admin Contact:
Accounts Payable Email:	Coupa Admin Email:

Signature - State Of Tennessee		Signature - Coupa Software Inc.	
Signature:		Signature:	
Name:		Name:	
Title:		Title:	
Date:		Date:	

## Renewal Term Addendum

If Customer elects to renew, based on the terms herein, the renewal Subscription Term will be set out in a new Order Form mutually executed by Coupa and Customer at the time of the renewal (hereinafter, the "Renewal Term"). Customer may renew the terms of this Order Form for one (1) additional Renewal Term.

### Renewal Rate Calculation - Innovation Index Fee plus the Consumer Price Index (CPI-U)

#### Customer Renewal Rate

<b>Renewal Term</b> (Months)	<b>Innovation Index Fee</b> (A)	<b>Consumer Price Index (CPI-U)*</b> (B)	<b>Renewal Rate</b> (A + B)
12	5.10%	1.90%	7%

\* Consumer Price Index for All Urban Consumers (CPI-U), established by the United States Department of Labor for All Urban Consumers, US City Average, All Items.

Coupa will cap the Renewal Rate increase applicable for the Renewal Term to the total of the Innovation Index Fee and the Consumer Price Index (CPI-U).

The Renewal Rate cap guarantee applies only (a) to the same Coupa solutions that are in the expiring Subscription Term and (b) when the renewal Order Form has the same or greater quantity of licensed subscription as accumulated in the expiring Subscription Term.

#### Innovation Index Fee

The Innovation Index Fee aims to capture a fraction of the value we are continually providing our customers. Each year, Coupa averages hundreds of new, innovative features released to its customer base through three release cycles. Over Customer's Subscription Term, these new features, collectively, may enhance Customer's ability to bring more spend under management which can improve Customer's top and bottom line.

#### Consumer Price Index (CPI-U) Fee

The Consumer Price Index (CPI-U) helps cover inflationary costs that erode our captured value. This fee does not address our increasing energy, storage, and other costs.